Daily Report

Latin America

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Cuba

Raul Castro Meets With Reporters at End of Tour

FL1008024590 Havana Television Service in Spanish 0000 GMT 10 Aug 90

[Text] Army General Raul Castro, second secretary of the Central Committee of the PCC [Communist Party of Cuba] and minister of the FAR [Revolutionary Armed Forces], held a news conference with national and provincial journalists at the end of his tour of Camaguey Province.

[Begin Castro recording] We have to remember the call made by the commander in chief on the 100th anniversary of the fall in battle of Mayor General Ignacio Agramonte. He made a call to develop Camaguey. It was in 1973. He called for a total transformation, an immediate grab of the machete to develop Camaguey. We have to recall that in the last few years, the revolution has invested 4,600 million pesos in Camaguey. Camaguey is one of our largest provinces. The largest in the territory. It has a population of over 700,000 people. We should all remember the very important visit of the commander in chief on 10, 12, and 13 March 1987. He worked out multiple programs for the development of Camaguey. We have seen that some programs have already been implemented. Other programs are in the process of implementation, like the milk program in the fourth company, the triangle in Najase.

Now, during our discussion on resistance and victory, we talked about [words indistinct] the initiative, and the creativity to seek solutions to current national problems. Camaguey, for the second consecutive year, has produced over one million metric tons of sugar. I understand they have promised to consolidate every millimeter they can advance. They have to produce at least 100 more tons during the next harvest. At this time, they have already weeded 94 percent of all sugarcane areas. Yesterday, in Minas Municipality, we saw that pioneers—the high school youngsters—weeded 19 caballerias during July. This should give us an indication of the political and moral standing of the population. These youngsters, in a hot month such as July, accomplished a real feat. They weeded 19 caballerias of sugarcane. We drove across the area yesterday.

During the last harvest, 74 percent of all sugarcane plantations were cut by mechanized means. This year, they plan to mechanize 80 percent of the harvest. The construction of rural communities has allowed 5,000 new workers to join the work force at sugarcane plantations. This is very important because it precludes the large mobilization of people from other provinces. We can also count on the communes of the Youth Labor Army, such as the one we visited yesterday. These youngsters in the next few years will become civilian workers. Last May, we visited and inaugurated three communes.

There are 600 caballerias with plot drainage. By the end of the year, they will have 1,000 caballerias with such drainage. I do not have to speak about the virtues of plot drainage. The production of sugar by-products continues to develop. A furfural plant is being built in Suarez Gayol, a glucose plant in Argentina, a sorbitol plant in Agramonte, and a hydrolytic bagasse plant in Cierra de Cubitas. We were able to see the level of livestock production and development in a fair during our visit to the municipalities of Camaguey, Minas, Cierra de Cubitas, and today's morning and afternoon visit to Najasa and Jimaguayu.

We have seen very outstanding items in Camaguey's milk basin, as well as an outstanding production method and social development. The plan to build 60 new cattle installations is being fulfilled. This we have seen today. The main problem, for which a solution is being sought, is water. The milk basin encompasses 12,000 caballerias. Camaguey will achieve its goal with the new dams it will build and, above all, with the water they will save from rice plantations.

Firm steps are being taken to improve the production of tubers and vegetables. The Cierra de Cubitas program is the most outstanding one. The introduction of the microjet and fregat irrigation systems—as we saw yesterday—will ensure a good crop of bananas and potatoes. The construction of hydroponic, agroponic, and [word indistinct] centers, the creation of self-sufficient areas, the development of the family economy, and the production of tubers and vegetables have very good prospects.

The province is working steadily to improve the areas of defense. The results of the latest inspections and supervision by the Minfar [Ministry of the Revolutionary Armed Forces], the Eastern Army, and the Military Department of the PCC Central Committee have confirmed this. We have personally seen the improvements during this tour. We received a magnificent impression of the efforts the province is making. We have the same impression of all the provinces we have visited. But Camaguey, which already had set a record when Fidel made the call to grab the machetes and develop the province in 1973, is something else. At that time, Camaguey already had implemented a series of tasks. Many municipalities had become specialized, for instance, to produce rice, bananas, vegetables, etc. Now all these developments are supplemented by municipal self-sufficiency. All these efforts are paid for with what we save from gasoline use alone.

We are taking a magnificent impression with us. I have to agree with Comrade Fidel. We made it public on one occasion that if Camaguey continues to work as it is doing now, with all this success, overcoming all these problems—do not forget this, because there are problems everywhere in the country—if they continue to develop at this speed, besides becoming a great asset for the nation, something that is becoming obvious in all aspects including in science—this is the only province that has a great biotechnology center besides Havana—if they continue on this path, we have no doubt whatsoever that Camaguey will win the privilege of hosting the Fifth PCC Congress in 1995. We plan to attend this congress

as delegates, or as tourists, or as curious persons, if they do not elect us as delegates. They will have a great responsibility. They will be closing the second millennium of our era with this program. [end recording]

Fernandez Received by Gaviria, Returns Home

FL0908125790 Havana Tele Rebelde Network in Spanish 1100 GMT 9 Aug 90

[Text] Colombian President Cesar Gaviria Trujillo has officially received Cuban Vice President Jose Ramon Fernandez, who headed the Cuban delegation attending the transfer of power in the country. During the meeting in the (Narino) Palace, seat of the government, Fernandez greeted the new Colombian president and expressed best wishes for his term's success on behalf of Cuban President Fidel Castro. The Colombian president said he was sorry that the Cuban president was not able to attend the inaugural ceremony to which Fidel had received a special invitation.

The Cuban delegation—the most sought by the Colombian press as well as by reporters from other countries because they wanted to learn details of the Cuban situation—returned to Cuba today. The delegation was satisfied with the hospitality and treatment shown by the outgoing government and the one that has just taken over in Colombia.

Montane Meets With PRC Congress Official

FL0908234990 Havana Radio Rebelde Network in Spanish 2323 GMT 9 Aug 90

[From the "Exclusivo" program]

[Text] In Beijing, Xi Zhongxun, vice chairman of the National People's Congress of the PRC, has received Jesus Montane Oropesa, member of the Central Committee of the Communist Party of Cuba. The Chinese leader, survivor of the Grand March, described their meeting as a reunion between old combatants.

Xi Zhongxun said that before Cuba and the PRC established relations, admiration already existed for the heroic struggle of the Cuban people against the dictatorship.

The two leaders expressed their satisfaction with the solid ties that unite the peoples, parties, and Governments of Cuba and the PRC.

Jesus Montane is heading a PCC delegation that is in transit through the PRC after a visit to the DPRK.

Labor Councils Replaced by 'New Experience'

FL1008015090 Havana Radio Rebelde Network in Spanish 2329 GMT 9 Aug 90

[Interview with Francisco Travieso, director of labor legislation of the State Committee for Labor and Social Security, CETSS, by Dianelis Garcia Sixto at CETSS headquarters, on the "Exclusivo" program, hosted by announcer identified only as Mejia—live]

[Text] [Garcia Sixto] Francisco, we've already stated our purpose. We are here to discuss the elimination, on an experimental basis, of labor councils in Villa Clara Province. However, we cannot say that the councils are being completely eliminated because they are being replaced by a new experience, a new initiative. What is this new experience?

[Travieso] The labor councils have not been eliminated; they are being replaced by a new experience that will be applied in Villa Clara Province, which is the creation of a grass roots labor judicial organ.

We must mention a few antecedents. Up to 1980, the labor councils handled disciplinary disputes, labor conflicts, and litigation. As of 1980, when Decree-Law No. 32 was promulgated, the labor councils ceased to hear disciplinary disputes and only handled legal problems. This decree-law allowed the administrations to directly and immediately apply disciplinary measures.

If a worker did not conform to his job, the problem was taken to the people's municipal court and if the parties involved did not agree with the verdict handed down by the court, they could then appeal to the provincial court all the way up to the supreme court.

Although this ability was granted to the administration, and it was the right thing to do, this decree-law slightly altered the mission of the collective in regard to the way disciplinary problems were handled.

At this stage of the rectification process, in which a great effort is being made to strengthen discipline in our work centers—an example of this is the contingents, where the collective of workers themselves are the ones who analyze the infractions and apply disciplinary measures—the idea emerged to create this grass roots labor judicial organ. It is an intermediate measure between what currently exists and what will exist in the future, which includes the measures taken by the contingents for disciplinary problems.

[Garcia Sixto] What is it called?

[Travieso] In Decree-Law No. 121, which was promulgated to authorize the application of this measure in Villa Clara, it is called a grass-roots labor judicial organ because it will be a prejudicial organ. This organ must be approached before approaching the courts.

[Garcia Sixto] How does this apply directly to the workers and how can it affect the economy?

[Travieso] Prior to answering your two questions—anything that helps the economy will, of course, help the workers—I would like to say that this organ will be and is comprised of three workers elected by the collective. One representative from the administration and one from the trade union will be appointed permanent members of the organ. In addition to the three elected workers, two alternate workers will be elected by the working masses. The organ is of a tripartite nature.

[Garcia Sixto] The three people include a representative from the administration, one from the trade union, and who is the other one?

[Travieso] No, no, no. There are five permanent members. One represents the administration; he is appointed. One represents the trade union; he is appointed. Three workers are elected by the collective of workers. In addition, two workers are also elected to act as alternate members for any situation in which they might be able to participate.

[Garcia Sixto] What kinds of labor indiscipline will the grass roots legal organ mediate and which ones will the courts mediate? I imagine that minor infractions will be heard by this grass roots organ.

[Travieso] Yes, that's right, and this answers your question about the usefulness and advantage of these measures. These grass-roots labor judicial organs will apply disciplinary measures of a definite nature. Measures that practically never change or that very slightly change the status of a worker will be decided in the work center by this organ and the decision will never have to be presented to another judicial or administrative body. These measures could be in the form of a private or public reprimand, a 30-day suspension from work, or a six-month transfer.

When it comes to such measure as a one-year transfer, dismissal, or a transfer with the loss of a worker's seniority, then it becomes a measure that causes permanent or short-term changes in a worker's status. Then, if the worker does not agree with the decision handed down by the grass roots labor judicial organ, which will hear all cases, including these, he has the right to present his complaint to the people's municipal court.

[Mejia] Dianelis?

[Garcia Sixto] Yes?

[Mejia] I have the following question. What difference is there between the new labor organ and the previous one?

[Garcia Sixto] What is the difference between the labor council and the grass roots legal organ? Travieso can answer that.

[Travieso] What is the difference? The current labor council in Villa Clara only handles problems related to workers' rights. It does not handle any claims or disagreements dealing with disciplinary problems. Thus, a worker who has a dispute has no organ in the work center—because the labor council does not handle disciplinary problems—to which he can present his claim. He then has to go to the municipal court.

[Garcia Sixto] Travieso, does this grass roots legal organ have the right to revoke a decision made by the administration?

[Travieso] Yes, it has the right make the modifications it feels are necessary. When a worker approaches the grass roots labor judicial organ and presents his claim, the organ issues a verdict in the form of a resolution which can modify a measure applied by the administration or exonerate the worker. Of course, if a decision is made to exonerate the worker and the administration disagrees, it can approach the labor court of the municipal tribunal, if it pertains to the three kinds of measures which permanently or for a short time change the status of a worker.

[Garcia Sixto] Travieso, one last question. Do current decrees that regulate discipline—for instance, Decree-Law No. 113 for the health sector, Decree-Law No. 57 for the science sector, Decree-Law No. 34 for educators—remain in effect in conjunction with this new measure? How does this work now?

[Travieso] Yes, the special procedures that have been established, such as the ones you just mentioned, remain in force. This new experience will only be applied in disciplinary matters if it does not conflict with these special procedures. Even Decree-Law No. 121, which applies this experience in Villa Clara, states that over the course of time—because this measure has a three-month preparation period and a one-year implementation period—if a new, special situation arises, then the aspects of the new experience that conflict with these decree-laws will not be applied. We already know that a new, special provision will be established for the railway sector and for the Intur [National Institute of Tourism].

[Garcia Sixto] We thank Francisco Travieso for this extensive information which will be of interest for the next year to the workers of Villa Clara and to all the workers in the country.

Inter-Caribbean Affairs

Oil Crisis Could Damage Regional Economies

FL0908185990 Bridgetown CANA in English 1756 GMT 9 Aug 90

[Text] Roseau, Dominica, Aug 9, CANA—The growing oil crisis in the Persian Gulf Area resulting from the Iraqi invasion of Kuwait holds serious implications for the economies of the small island nations of the Caribbean, a St. Vincent political leader has said. Dr. Ralph Gonsalves, leader of the Movement for National Unity (MNU), said that the crisis was of serious concern to the Caribbean because of its likely impact on the economies of countries in the Caribbean region. Noting that the price of oil on the world market was already going up, Gonsalves expressed concern that a wide range of commodities used in the Caribbean would be affected.

He listed fertilisers, vehicles, and petrol price rises which he said "would fuel inflation and put us in greater economic difficulty than we have at the present moment." Gonsalves said the region should be concerned about the economic impact of the oil crisis, and the fact that the unstable nature of the politics in the Middle East and the military involvement could lead to

a wider conflagration "which can affect all of us, our lives, and certainly our economies further."

The MNU leader said that for the sake of Caribbean interests, he would like to see a speedy resolution of the crisis from an economic standpoint, as well as from the standpoint of world peace.

"One hopes that through the instrumentality of the United Nations and the Arab League, that you could have a withdrawal of the Iraqi forces out of Kuwait, and an appropriate settlement and compromise is arrived at," he said.

The United States Wednesday ordered its Armed Forces into Saudi Arabia, to defend the Saudis from any Iraqi invasion which President George Bush said could not [word indistinct] out given Iraq's recent actions. Iraq responded late Wednesday by annexing Kuwait, a move which did little to ease the growing tensions in the Gulf area.

Dominica

Hydro Project To 'Cushion' Increased Oil Prices

FL0908181390 Bridgetown CANA in English 1647 GMT 9 Aug 90

[Text] Roseau, Dominica, August 9, CANA—Dominica's power company says it is looking towards its multi-million dollar hydro expansion project to cushion the expected increase in oil prices as a result of the crisis in the Middle East.

"I think certainly for the whole of this year oil price increases would have quite a considerable effect on us. But when the hydro project is completed, its effect will be reduced," Hind Jabbal, general manager of the Dominica Electricty Services (Domlec) told CANA [CARIBBEAN NEWS AGENCY].

Jabbal said a significant increase in oil prices would result in a higher surcharge paid by consumers.

"That the hydro comes at a very good time, so it will absorb most of the effects of the oil price increases," Jabbal said.

He said that the first hydro machine should start operating by November this year, with the entire project due to be completed by June 1991.

Dominican Republic

President Balaguer Comments on Price Increases

FL0908183190 Santo Domingo Radio-Television Dominicana Radio Network in Spanish 1600 GMT 9 Aug 90

[Report by Viviano de Leon from Santo Domingo's National Palace]

[Text] President Joaquin Balaguer assured everyone that the constant price increases which have been seen in the country will not continue. He asked the citizenry for a little more time because the measures taken by the government have been in effect for only a few days. He said the government is not seeking any fiscal benefit but it wants to put the economy back in order in favor of all Dominicans. Speaking during a news conference after a ceremony inaugurating a technical school in the Villa Duarte area, President Joaquin Balaguer said the following:

[Begin Balaguer recording] The process of putting prices back in order is in effect. The goods will be set at a fair price, taking into account the legitimate profit margins for wholesalers, retailers, etc. I beg you to be a little patient and wait a few days because work is being done and will continue to be done so that prices are placed back in order. They will later be frozen. The goal is not only to halt inflation but to place the national economy on real foundations.

As you know, the [word indistinct] gas was unheard of because it was being bought at half its price. Who benefited from that? Everyone, rich and poor, but mainly the rich, who are the ones that use more gasoline and the only ones who have luxury vehicles. Consequently, the poor were paying the subsidy for the rich. What we want to do is to reverse this and have the benefits channeled to the less favored classes. All the resources that the government gets after the prices are put back in order, and all the [words indistinct] and the economy is placed on truly real foundations, all those benefits will be channeled to the poorer classes. The government is not seeking any fiscal benefit. All it wants is to simply put the economy back in order and [words indistinct] in favor of the least favored classes. [end recording]

We repeat, President Joaquin Balaguer assured today that the constant price increases of basic goods which were seen in the country will not take place any longer. He asked the citizenry for a little more time and patience because the measures taken by the government have only been in effect for a few days. He said the government is not seeking any fiscal benefit but wants to put the economy back in order in favor of all Dominicans.

On another matter, the chief of state said the decision made by the labor union movement to call a strike for 13 and 14 August to protest the measures taken by the government was hasty. He said those organizations have the right to organize their strike as long as it is conducted in a peaceful way and without altering the public order. President Balaguer asked those who called for the strike to be peaceful so that no blood is shed and that the government does not have to take the Army to the streets.

President Joaquin Balaguer admitted that enemies of the government and the Dominican Electric Power Corporation are working there. He said he will have a steady

hand and will take strong decisions against those employees who are responsible for acts of sabotage in that corporation.

Commentary on Economic Pact

FL0908183590 Santo Domingo Radio-Television Dominicana Radio Network in Spanish 1600 GMT 8 Aug 90

[Station commentary: "The Adjustments"]

[Text] The country is currently feeling the effects of the first adjustment measures ordered by the government in line with the agreements reached in the Economic Solidarity Pact. The citizenry is expectant. This is very important and praiseworthy at the same time. One can see the intention of maintaining public order and complying with the government measures.

Gasoline and gas oil prices have been considerably increased. The same has happened with wheat, flour, and sugar. These increases, instead of causing general increases, will generate stable and lower prices inasmuch as we were experiencing an unprecedented upward trend. Therefore, what is taking place is a market balancing process; balance in the currency exchange rate, balance in the hydrocarbon prices, balance in the price of some foodstuffs, and radical adjustments in the credits for the public and private sectors, in addition to the contraction of the circulation of money. All this is aimed at halting inflation.

This sophisticated reasoning may not be understood by those who are not knowledgeable of the economic sciences. The following can be understood: the only way to halt inflation is to reduce the amount of money in the hands of the people and to multiply the production of goods and services. Those are the immediate and basic goals of the program being implemented with the consent of the private sector and labor unions and associations through the Economic Solidarity Pact.

What the good-willed Dominicans need to do, those of us who want the country to restore its economy and continue growing with stability and social justice, is to wait and give the government the needed respite so that the adjustment measures can be completely applied and the social assistance measures begin to be implemented. It is as simple as that.

Troncoso Meets With Latin American Presidents

FL0908191290 Santo Domingo Radio-Television Dominicana Radio Network in Spanish 1600 GMT 9 Aug 90

[Text] Vice President Carlos Morales Troncoso has met in Bogota, Colombia with Latin American presidents to establish the foundation for a new cooperation framework with the Dominican Republic. The vice president praised the efforts President Joaquin Balaguer is making to eliminate drug smuggling and characterized this illegal trade as one of the worst maladies currently affecting humankind.

Morales Troncoso went to Colombia representing President Balaguer at the swearing-in ceremony of new Colombian President Cesar Gaviria Trujillo.

Among the presidents with which the vice president met were: Argentina's Carlos Menem, Venezuela's Carlos Andres Perez, and Haiti's Ertha Pascal Trouillot. They discussed matters he characterized as of mutual interest.

Haiti

Joint Communique Calls for Voter Registration

FL0908173990 Port-au-Prince Radio Metropole in French 1600 GMT 8 Aug 90

[Text] [First announcer] The Haitian Christian Democratic Party [PDCH] and the three parties making up the National Alliance for Democracy and Progress [ANDP] have issued a joint statement calling on the different sectors of the population to support the electoral process.

[Second announcer] Here is the full text of this statement:

In view of the juncture following the Provisional Electoral Council's [CEP] publication of the electoral law and the electoral calendar, we, the undersigned political parties, shouldering our responsibilities fully at this decisive turning point in the national life, declare the following:

First: Free, honest, democratic elections held in full security and permitting the authentic expression of the popular national sovereignty today constitute a fundamental, and priority, popular demand.

Second: A legitimate, democratically elected government buttressed by the democratic institutions provided for in the Constitution of 1987 remains an obligatory step for the establishment in Haiti of a rule of law based on the popular will, respect for the law, and social justice.

Third: The exercise of stable, democratic, political power with a clear popular and constitutional mandate is an indispensable condition for peaceful change in our country. It is urgent that we arrive at this to put the brake on the accelerated deterioration of the Haitian people's living conditions and at last pull the nation out of the vortex into which it is slipping further and further daily.

Consequently, these four parties—PDCH, Panpra, MNP-28, and MIDH [Haitian Christian Democratic Party, National and Progressive Revolutionary Party of Haiti, National Patriotic Movement of 28 November, and Movement for the Establishment of Democracy in Haiti]—issue a resounding and patriotic call to all sectors of the nation to mobilize and give their total and massive support to the electoral process set in motion by the CEP. Therefore, they ask all citizens of voting age to come to the aid of the CEP and be ready to register at the

voter registration and polling stations during the 19 August-9 September period, so as to assure that there will be great popular participation in the elections scheduled for 4 November.

These four parties solemnly invite government officials—particularly the ministers of interior and defense—as well as as the Haitian Armed Forces, to shoulder their responsibilities with honor and dignity by accompanying the popular mobilization to protect and defend at any price the democratic and electoral process currently underway.

This communique is signed by the PDCH, MNP-28, Panpra, and MIDH.

Writs Served To Allow Manigat's Return

FL0908182590 Port-au-Prince Radio Metropole in French 1600 GMT 8 Aug 90

[Excerpt] [First announcer] Here in Haiti, Leslie Manigat's Assembly of Progressive National Democrats [RDNP] has filed suit against Interior Minister Joseph Maxi in connection with the Manigat affair, and is asking the CEP to suspend its activities until Manigat returns to Haiti.

[Second announcer] The RDNP has filed suit against the minister of interior and the Provisional Electoral Council [CEP] to demand, on the one hand, that the interdiction [to enter Haiti] measure taken against Manigat by Interior Minister Maxi be withdrawn and, on the other hand, that the CEP stop all electoral activity until Professor Manigat returns to Haiti. The RDNP would like the CEP to undertake initiatives vis-a-vis the pertinent Haitian authorities to demand that the measure be withdrawn. The political party feels prejudice has been used against its leader because he has been kept out of national political activities.

Furthermore, the RDNP demands that the interior minister authorize all airlines and all shipping lines to receive citizen Leslie Manigat as a passenger with Haitian airports and ports as his destination.

The pertinent writs were served by writ-servers to the minister of interior and to the CEP yesterday.

We also remind listeners that Martial Celestin had announced in a public statement that legal proceedings would be initiated both in Haiti and abroad against the Haitian Government. [passage omitted]

Official Says Unavailability of Fuel 'Political'

FL0908183690 Port-au-Prince Radio Soleil Network in Creole 1100 GMT 8 Aug 90

[Excerpts] The matter of gasoline has become a real headache in Haiti since the big fire that broke out in Texaco's oil depot in Thorland. Despite the appeals by Commerce Minister Maurice Lafortune and representatives of the oil companies, and their statements to the effect that there is no problem and no shortage of gas in Haiti, cars are still lined up in front of the gas stations, most of which have shut down. Thus, in practice, Minister Lafortune's statement asking people to remain calm so that everything could be done in an orderly manner has become a dream, for not only does the problem still exist but it has become worse. [passage omitted]

Nicles Dimanche, president of the Petion-Ville public transportation vehicle drivers union, thinks there is a political reason behind this business of not wanting to sell gasoline, because not only are the gas stations refusing to sell gasoline and diesel fuel for vehicles, but they have also blocked sales of kerosene—which the population uses in lamps—while well aware of the fact that the people have been living without electricity for several months now. [passage omitted]

The problem of a shortage of gas is giving rise to many other comments and questions, such as: Could it be that oil company officials are conserving gasoline in case the Iraq/Kuwait problem leads to an increase in the price of gasoline?

The shortage of gas in not just in Port-au-Prince. It is also being felt in provincial towns. [passage omitted]

Venezuelan President Perez' Arrival Speech

FL0908163090 Port-au-Prince Radio Nationale in French 1717 GMT 8 Aug 90

[Speech by Venezuelan President Carlos Andres Perez at Mais Gate International Airport in Port-au-Prince on 8 August—live; in Spanish with simultaneous translation into French]

[Text] Madame President of the Republic of Haiti, Mr. President of the Court of Cassation, Gentlemen members of the Provisional Electoral Council, Members of the Council of Ministers, Members of the Haitian Armed Forces High Command, Ladies and Gentlemen, People of Haiti:

I cannot hide the deep emotion with which we are overcome, I and my fellow countrymen accompanying me on this visit to a nation that is deeply imbedded in our hearts.

We have come to Haiti in the only way Venezuelans can come to the fatherland of Alexandre Petion: to pay a tribute of fraternal friendship and to offer our fullest solidarity with the Haitian democracy, which is today trying to definitively conform to the will of all the men and women of Haiti.

We have come here to say to all of Haiti's public and private institutions, all its political parties, all its union organizations, all its workers, and all its peasants that Venezuela stands wholeheartedly at their side.

We are in solidarity with all Haitian people, without discrimination of any kind; and our support is for the effort that this people, led by the government headed by

Mrs. Trouillot, is making to give shape to the Haitian democracy once and for all. Venezuela and we Venezuelans have great respect for the will of the Haitian people, and we do not intend to at any time intervene or interfere in the Haitian people's own processes.

We wish to recall that, in the past, it was the people of Haiti who pointed out to us Latin American nations the path of freedom and independence and taught us to reject any foreign meddling in our own affairs. And it was also the Haitian people who showed us the immense and grand possibilities for building our nations that lay in solidarity. For example, Alexandre Petion who, when the man who was to become the liberator of our country and of all Latin America—Simon Bolivar—arrived upon Haiti's shores amidst the smoking embers of the struggle for Haitian independence, which had just ended, did not hesitate to put resources, will, and stimulus at the service of the cause of Latin American liberty.

Petion declared that a Latin American country has a right to help other countries of Latin America. This is the same right with which I myself come to proclaim, here in Haiti s capital, that Venezuela and the peoples of Latin America have decided to give their full support and solidarity to the efforts today being made by the Haitian people. And I have had the honor, as president of Venezuela, of receiving Haiti's provisional President, President Trouillot, the first president of Haiti to visit the land of Simon Bolivar. And there at the Caracas airport, Madame President had the opportunity not only to become acquainted with the solidarity of the president and the courtesy of the government of Venezuela, but also my country's political parties and other national authorities—among them the delegation from Venezuela's Congress—who expressed to Haiti's president our respect, solidarity, and admiration for the people of Haiti. And the Venezuelan Armed Forces paid homage to the representative of the people of Alexandre Petion.

It is following these clear indications of authentic fraternity that I have come to Haiti, accompanying this nation's illustrious president, whom I also had the honor of accompanying to the inauguration of the president of Colombia. And permit me to tell the Haitian people, its civilian and military authorities, all its institutions, and its political parties that I am deeply satisfied and proud to see Haiti once again projected, with its rightful presence and its great historical authority, before all the peoples of Latin America.

We Venezuelans have, in the past, also had the harsh experience of the damage dictatorial governments do our fatherlands. They isolated us from the rest of the world. They discredited our name and our image. And only through the unity of Venezuelans of all parties, the unity of all Venezuelan institutions, were we able to recover the esteem and respect of the entire world. And we are extremely happy that the worthy initiative of Haiti's president has put this great Latin American country back on the human map of the area's countries. I witnessed the joy and affection with which the presidents of Colombia, Argentina, Ecuador; and the representatives of the other Latin American countries, as well as the representatives of the European, Asian, and African countries attending the inauguration of President Gaviria, received and greeted Haiti's president. Because to see Haiti once again present at the concert of the world's democratic nations was a great occasion.

I congratulate myself—along with the Haitian people, its government, its State Council, its Armed Forces, and all sectors of Haiti's civilian society—because we Venezuelans feel obligated to lend our full assistance so that Haiti can recover all that belongs to it within our Latin American world and in the world in general. I am fully certain I am expressing the sentiments of all, absolutely all, Venezuelans, through whose hearts flows the same blood that flows through the hearts of the Haitians—we Venezuelans who are aware of our common history and know ourselves to be part of a great common fatherland, the fatherland of all Latin Americans—a fact which today impels us, forcefully and with urgency, to shape a process of integration that will permit us to form ourselves into this new world that is rapidly forming, on better foundations of justice and equality.

Please allow me, Madame President and dear friend, to now address the entire Haitian population directly—its political parties, its different social sectors, and particularly the workers and peasants—to say to them that Venezuela comes to this sister nation with full transparency as regards its intentions to cooperate without setting prior conditions of any kind and without meaning to interfere in any way in matters that are the business of the Haitians alone; but also to say to them that no one can take away from us Venezuelans the right to exercise our right as brothers and Latin Americans to offer Haiti everything we can give it, so that Haiti can recover its right to incorporate itself fully to the free nations of Latin American and to be able to count on possibilities for the development of its economic capabilities, in the search for the well-being of its people, as the rest of us Latin America peoples are trying to do today.

And I want to tell you that we members of the Andean Group—Bolivia, Ecuador, Peru, and Venezuela—met, in Colombia, to express collectively our solidarity with Haiti in the electoral process being advanced by the government headed by Mrs. Trouillot and to, within the United Nations, support the proposals that have been made by the Haitian Government; as well as to bring together the Latin American group within the United Nations so that we can, collectively, offer the Haitian people and government this full support.

Madame President, People of Haiti: I bring you this message of fraternal friendship not only from Venezuela but from all the nations of our Latin American region; and I say to you that you can count on the fact that—and may this serve as a stimulus to you—Latin America and all the world's democracies have their eyes fixed on how the Haitian people, honoring its history of being the first people in the Americas to demand and achieve its

independence through its own efforts.... [changes thought] Which they are going to do now, during this electoral process that in November will permit us to embrace one another within a single ideal: that of democracy, freedom, and dignity for our peoples.

Thank you very much.

AC Requests Meeting With Perez

FL0908165590 Port-au-Prince Radio Soleil Network in Creole 1100 GMT 8 Aug 90

[Text] Seven political parties that are members of the Assembly for Concerted Action [AC]—Conacom, MOP, PAIN, PNDPH, PPSC, PUCH, and UCH [National Congress of Democratic Movement, Movement for the Organization of the Country, National Agricultural and Industrial Party, National Democratic and Progressive Party of Haiti, Social Christian People's Party of Haiti, Unified Party of Haitian Communists, and Union of Haitian Constitutionalists]—have sent Venezuelan President Carlos Andres Perez a letter saying they would like to respond to a call made by Perez to come participate in a reception in his honor at the National Palace on 8 August. However, the AC... [announcer corrects himself] these seven political parties say that their participation in, their presence at, the said reception might make it look as if there is agreement between themselves and the executive; whereas already several months ago, the AC set forth a minimal number of conditions for holding elections in Haiti and despite all the pressure they have brought to bear on the government, these conditions have never been established.

Nevertheless, they ask the Venezuelan president if it would be at all possible for them to meet with him elsewhere—at the embassy residency, for example—for they would like to greet him and talk and listen to him. They are not going, however, to go to the National Palace as long as the executive has not met the minimal conditions they have set for holding elections in Haiti.

President Hosts Reception

FL0908172690 Port-au-Prince Radio Soleil Network in Creole 1100 GMT 9 Aug 90

[Excerpts] [First announcer] Provisional Haitian President Ertha Pascal Trouillot and Venezuelan President Carlos Andres Perez received a warm welcome at Mais Gate Airport in Port-au-Prince upon arrival from Colombia, where they attended the inauguration of Colombia's new president. In a speech made at the airport, Mrs. Trouillot said she felt the democratic world was waiting for Haiti to join the other democratic countries, so as to help it provide relief for the extreme poverty of the Haitian people. [passage omitted]

[Begin reporter Frankel Valentin recording] [Passage omitted] Mrs. Trouillot was met at the airport by the members of the government, the members of the State Council [as heard], the Provisional Electoral Council [CEP], and the members of the diplomatic corps in Haiti. [passage omitted]

Mrs. Trouillot said her mission had two objectives: to affirm Haiti's real desires and to integrate Haiti into the concert of democratic nations of the continent, after so many years of not appearing on the regional scene. She said she had also wanted to explore the paths of concrete regional cooperation with all the partners in America, who, for their part, wish to show their solidarity with Haiti at this decisive crossroads of the national life. [passage omitted]

Mrs. Trouillot said she had the clear feeling that Haiti was no longer alone. All the partners with whom she met told her Haiti had to recover its place on the international scene, and play a role in keeping with its past and its vocation. [end recording] [passage omitted]

[First announcer] Regarding the case of former President Leslie Manigat, whom the Trouillot government refused to allow into Haiti last week, Venezuelan President Perez said that as a democrat, he thinks the best thing for Haiti would be to not prevent any citizen... [rephrases] to not shunt aside any citizen from the electoral process.

We remind listeners that, as Valentin said, there was also a ceremony, reception, at the National Palace—a reception to which many people were invited, such as the State Council, the Assembly for Concerted Action [AC], etc. This ceremony was held, but the State Council was not there. Many people from the AC were also not there. Why wasn't the State Council there?

[Second announcer] Well, Belbrun, indeed, the State Council has not participated lately in a number of government activities at the diplomatic level. The State Council did not send a representative among the delegation that went to Venezuela and Colombia, nor was the State Council present either at the airport or at the National Palace [yesterday]. [as heard] [passage omitted]

[First announcer] Thus, the State Council was not present; and as for the AC, it was divided, as regards its presence at the National Palace yesterday. The only people there were the head of the centrist socialist alliance, Marc Bazin of the Movement for the Establishment of Democracy in Haiti; Serges Gilles of the Nationalistic and Progressive Revolutionary Party of Haiti; and Dejean Belizaire of the National Patriotic Movement of 28 November, MNP-28. Also present was Martial Celestin, the former prime minister under former President Leslie Manigat. These people represented (?most of the) political parties at the National Palace. Attorney Francois Latortue of the Democratic Movement for the

Liberation of Haiti/Democratic Revolutionary Party of Haiti, or Modelh/PRDH, a centrist party, was also present, as was Mr. Edouard Francisque of the Union for the Revival of Haiti, URH, a moderate Duvalierist. [passage omitted]

Jamaica

Government To Honor UN Sanctions Against Iraq

FL0908203990 Bridgetown CANA in English 2011 GMT 9 Aug 90

[Text] Kingston, Jamaica, Aug 9, CANA—Jamaica said on Thursday that it would honour a United Nations resolution calling for an economic embargo against Iraq following its invasion of Kuwait.

Acting Prime Minister P.J. Patterson said the Iraqi decision to invade and annex Kuwait had posed a serious threat to international peace and security and could not be condoned. "The immediate projected rise in the price of oil poses disastrous consequences for the economies of small and fragile states such as ourselves," he said.

Patterson termed Iraq's actions as "pure and naked aggression" and a "flagrant" violation of the charter of the United Nations. It also flouted the principles enshrined in the Nonaligned Movement, he said.

Trinidad and Tobago

Treason, Murder Charges Announced for Coupists

FL0908165190 Bridgetown CANA in English 1613 GMT 9 Aug 90

[Excerpt] Port of Spain, Trinidad, August 9, CANA—Trinidad and Tobago police said on Thursday that charges of treason and murder would be laid against all 114 members of the Jamaat-al-Muslimeen who staged an unsuccessful coup against the Trinidad and Tobago Government on July 27.

The police said that the members of the radical Muslims will also be charged with being in possession of firearms and ammunition to endanger life and the possession of a large quantiy of firearms and ammunition of all types. They will also be charged with wounding with intent.

The radical group held Prime Minister A.N.R. Robinson, parlimentarians and journalists hostage at the Parliament building and the state television station, during the six-day ordeal, which ended with an unconditional surrender.

Official reports said at least 23 people were killed and hundreds of others, including Robinson, injured during the coup attempt. The Muslims had accused the government of corruption, racism and murder and had called for fresh elections within 90 days.

A 14 year-old boy is among the 114 Muslims to be charged by the police. [passage omitted]

Guatemala

U.S. Charged With Plotting Against Candidate

PA1008040690 Guatemala City LA HORA in Spanish 8 Aug 90 p 5

[Text] President Vinicio Cerezo, more and more immersed in the electoral campaign, yesterday initiated a new confrontation with the United States by accusing "U.S. officials" of involving government presidential candidate Alfonso Cabrera in a "drug plot," a charge that the U.S. Embassy in Guatemala rejected today.

Cerezo yesterday said in the presence of a group of Christian Democratic Party [PDC] members at the party headquarters that the drug story "was fabricated in a northern country" in reprisal against Cabrera because he "refused to sign a document proposed by the U.S. secretary of state" when Cabrera was foreign minister.

Although the Guatemalan president did not mention the secretary of state by name, the U.S. Embassy reacted strongly this morning through its spokesman, James Dickmeyer, who said: "Those remarks do not tell the truth. We have already pointed out that we do not favor any one candidate."

According to Cerezo in his speech yesterday afternoon, Cabrera "had to say no to the U.S. secretary of state when he tried to impose a document against the nation's interests" during the peace talks for the region.

The president said that the "plot" is not being concocted by the secretary of state but by "second- or third-level officials" who, according to Cerezo, "are trying to wipe out the electoral possibilities of the only man who at this time can maintain Guatemala's autonomy, independent views, and participation in the Central American conflict with no strings attached." The president alluded to a number of U.S. newspaper reports—reproduced locally—saying that Cabrera is involved in international drug trafficking.

The U.S. Embassy's clarification through spokesman Dickmeyer explains what happened with those reports.

Dickmeyer said: "More than one year ago, foreign reporters arrived in Guatemala after they heard rumors about Cabrera, rumors that have also reached our embassy, but we have at all times said we have no evidence of Cabrera's involvement in drug trafficking."

The U.S. official added: "We have accused no one. It is the reporters who heard these rumors, came to Guatemala, and wrote those reports." He also said that whenever the embassy has been involved, "we have made the proper clarification." Most of the time, however, the reporters have "Guatemalan sources of information out in the streets."

The diplomatic official insisted: "We want to make it clear that neither this embassy nor the U.S. Government is carrying out any black campaign against Cabrera's presidential candidacy."

This new incident is nothing new in the recent relations between Cerezo's government and the U.S. Embassy because in the past the Guatemalan president and Ambassador Thomas Stroock have strongly clashed verbally and in public.

The most recent and serious clash took place when Stroock referred to the human rights situation in the country, and Cerezo accused him of "meddling" in Guatemala's domestic affairs. This prompted Washington to recall the ambassador and later back him fully in a communique. Diplomatic and government circles consulted this morning confirmed that the relations between the government and the U.S. Embassy "are far from cordial."

One Guatemalan Foreign Ministry source, who asked to remain unnamed, said: "Some remarks by the president and other officials have resulted in U.S. aid being reduced and conditioned."

Some time ago, Armed Forces circles also criticized Cerezo's stand regarding the United States. After the most recent confrontation, a high-ranking officer commented: "It has been difficult to have the military aid resumed. Such remarks could make the United States change its mind."

Anyway, Cerezo's remarks confirm his determination to involve himself more and more in the electoral campaign to repeat the electoral victory on 11 November.

Cabrera, who has not been favored in the opinion polls, has said that "the true opinion poll will take place on 11 November." He appears confident that the party organization will enable him to repeat the electoral victory.

Government Presents Candidate for Vice Presidency

PA0908150090 Panama City ACAN in Spanish 0006 GMT 9 Aug 90

[Text] Guatemala City, 8 Aug (ACAN-EFE)—Guatemalan Christian Democracy, the ruling party, today presented Marco Villamar Contreras as its candidate for the Vice Presidency in the elections to be held in November and announced an alliance with a moderate leftist party.

Alfonso Cabrera, former foreign minister of the current government and presidential candidate, presented Villamar Contreras at a news conference held in a hotel in the capital, where he also announced the creation of a coalition of the "People's Democratic Convergence" [Convergencia Popular y Democratica] with the moderate leftist Social Christian Party.

Guatemala has elections scheduled for 11 November to choose the successor of Vinicio Cerezo, the first civilian president in office after two decades of military regimes.

Villamar Contreras is the current secretary general of the Secretariat of Central American Economic Integration (SIECA), he fought against General Jorge Ubico's dictatorship in 1944, and was one of 14 university students who, on the night of 19 October of that year, captured the "military fort of Matamaros."

The candidate for the Vice Presidency has worked at the Central American Bank of Economic Integration (BCIE), at the Permanent Secretariat of the General Treaty for Central American Economic Integration (1967-1970), and as a UN consultant.

Police Defuse Powerful Bomb Near Substation

PA0908212290 Panama City ACAN in Spanish 1838 GMT 9 Aug 90

[Text] Guatemala City, 9 Aug (ACAN - EFE)—Guatemalan Army and police experts defused a powerful bomb today. The bomb was found a short distance from a police substation in the south of Guatemala City, government sources have reported.

The device, which had a timing mechanism and was set to go off at 1400 GMT, was found by the police in the Ciudad Real 2 neighborhood.

Police sources said that the bomb, which had several dynamite sticks, wires, and fuses, had been planted near the police substation and some low-income houses.

On Tuesday night, the police discovered another bomb near the ruling Christian Democratic Party's headquarters, where Guatemalan President Vinicio Cerezo, ministers, and party leaders were meeting.

Honduras

Armed Forces Begin Campaign To Find Subversives

PA0908183290 Tegucigalpa Voz de Honduras Network in Spanish 1715 GMT 8 Aug 90

["Communique" issued by the Armed Forces Public Relations Directorate, read by Colonel Jose Oscar Flores, Armed Forces Public Relations Director, in Tegucigalpa—live]

[Text] The Honduran Armed Forces Public Relations Directorate hereby advises the national and international public that:

1. The Honduran Armed Forces, concerned about the high level of bloody incidents and arms trafficking in various parts of the country and the noticeable activity of subversive groups, has implemented an awareness campaign at the national level through the media. The campaign is intended to encourage the public's collaboration with the Armed Forces in detecting and controlling those seditious groups.

2. It is well known that due to its geopolitical position on the Central American isthmus, over the past few years, Honduras has been used as a bridge for arms trafficking to neighboring countries in the area, and to supply criminal groups that have tried to disrupt social peace in our country and our democratic stability.

3. Recently, the Armed Forces have detected the presence of subversive groups in the country's highlands, which together with urban cells have carried out and developed a number of armed actions against selective targets. Simultaneously, they have carried out propaganda activities and a permanent disinformation campaign against the government and its armed forces.

4. Therefore, the Honduran Armed Forces have deemed it necessary to begin an awareness campaign to encourage conscientious and responsible citizens to collaborate with the armed institution, providing information on suspicious individuals who may be involved in arms trafficking or subversive activities.

Anyone who wishes to collaborate in this patriotic campaign for peace and public order—whose names will be kept secret—can call the following telephone numbers. Telephone numbers in Tegucigalpa, San Pedro Sula, Santa Rosa de Copan, Danli, and Choluteca are listed [Flores does not read actual telephone numbers].

Nicaragua

EPS Confirms Air Force Commander's Ouster

PA0908190990 Panama City ACAN in Spanish 1751 GMT 9 Aug 90

[Text] Managua, 9 Aug, (ACAN-EFE)—The Sandinist People's Army (EPS) High Command today confirmed the dismissal of Colonel Javier Pichardo Ramirez, Air Force commander and EPS Staff member.

The Defense Ministry's Public Relations Directorate has issued a terse communique confirming the appointment of Col. Manuel Salvatierra Ramirez as the new commander of the Sandinist Air Force.

The ministry did not explain what reasons Commander of the Army General Humberto Ortega had for relieving Col. Pichardo Ramirez. According to a Sandinist Radio Station in Managua, his dismissal has created the first important conflict within the Armed Forces.

The Managua radio station stated that Col. Pichardo Ramirez was dismissed "for violating military secrecy" through unspecified information that he supplied to Cristiana Chamorro, publisher of the newspaper LA PRENSA. She is the daughter of President Violeta Chamorro.

The station "Radio La Primerisima," which this morning reported Pichardo's dismissal, has stated that the differences between him and Gen. Ortega began in March when delegates of the Sandinist regime and of President Chamorro were discussing the "protocol" on the transfer of presidential power.

The Sandinist radio station stressed that the Armed Forces are displeased at "the method" used by Gen. Ortega to oust Col. Pichardo Ramirez and three other EPS officers.

According to the Sandinist station, within the Army, Pichardo led a group that differed with Gen. Ortega "on the essence of the agreement" and proposed "different alternatives" on the content of the "transfer of power protocol."

Air Force Chief 'Supposedly Detained'

PA0908175690 Managua Radio Catolica in Spanish 1130 GMT 9 Aug 90

[Text] Sandinist sources reported today that FAS [Sandinist Air Force] Chief Colonel Javier Pichardo was removed from his post and replaced by Col. Manuel Salvatierra.

According to the Sandinist sources, Pichardo was removed because he supposedly revealed military secrets during a meeting with LA PRENSA publisher Mrs. Cristiana Chamorro. Thus far, the Armed Forces leadership has neither confirmed nor denied the report.

Special EPS [Sandinist People's Army] troops yesterday occupied FAS installations after the release of the report on the dismissal of Col. Pichardo as FAS chief on the orders of General Humberto Ortega Saavedra.

The special EPS troops commanded by Col. Claudio Robelo remained at the FAS installations all day long and withdrew last night. Pichardo was not only dismissed from his post, but also removed from the EPS General Staff.

This morning, the Sandinist radio reports stated that in addition to Pichardo, other high-ranking FAS officers were removed from their posts as well. The reports mentioned the case of Region 1 Chief Col. Antenor Rosales, who was dismissed by Gen. Ortega, but refused to leave his post.

According to the aforementioned sources, there is great discontent among the FAS officers as a result of Javier Pichardo's alleged dismissal.

The Sandinist sources added that Gen. Ortega has asked Police Commander Rene Vivas to reserve special prison cells for Pichardo and other FAS officers, but that Vivas refused to detain them alleging that this is an EPS internal affair.

It is expected that today the Armed Forces and FAS will issue a report on the information released by the Sandinist radio station.

What is behind the alleged dismissal of Col. Javier Pichardo from FAS? Politicians have gathered that Col. Pichardo's dismissal is the result of a conflict among the FSLN [Sandinist National Liberation Front] factions.

Pichardo and other FAS members were removed from their posts and are supposedly detained. A person called this radio station and told us that we should ask Military Counterintelligence Chief Col. (Omar Aysleben) about the detention of Col. Pichardo and the other officers.

A Sandinist report stated this morning that there is discontent in the Army because of the way in which Pichardo and other officers were dismissed. The report added that this means that no officer is safe in his post, including [EPS chief] Col. Hugo Torres.

The Sandinists indicated that Col. Pichardo disagreed with the way Gen. Humberto Ortega Saavedra is leading the Army and that they had held meetings with executive branch members.

An EPS spokesperson should release information on these reports today.

Central Bank President on Gold Cordoba

PA1008001090 Managua Domestic Service in Spanish 2235 GMT 9 Aug 90

[Statement by Central Bank President Francisco Mayorga in Managua—live]

[Text] Thank you for your patience in waiting for this announcement, although it was somewhat delayed. The purpose of this is to announce formally that beginning on 13 August... [changes thought] on Monday, 13 August, the gold cordoba will begin circulating.

We want to reiterate to you at this moment that the intention of the Nicaraguan Central Bank is to honor the commitment undertaken by Dona Violeta Barrios de Chamorro in her economic plan and in her agenda for recovery of the national economy, in the sense that we will make the monetary reform a reality by gradually introducing the new currency. To the extent that we make progress in our stabilization efforts, we will gradually diminish the role of the old currency until the time comes—perhaps at the end of this year—when we will be able to fully replace the old currency with the gold cordoba.

Our intention is to have this new currency backed during this first stage by the foreign exchange reserves of the Central Bank. We made arrangements for this before the inauguration, and we are relying on these reserves at this moment, during this first stage. We expect to continue receiving international aid during the coming months and during the coming years in accordance with Nicaragua's reconstruction needs and in accordance with the

goodwill expressed by the international community during the conference of donors in Rome on 6 June.

In addition, this currency will also be backed by an effort at financial discipline by the entire government. We have made serious progress in this regard. We had four deficits to contend with when we began the stabilization work. One was a very large deficit in the Central Bank, which was suffering losses because there were two rates of exchange and because the banks's lending rates were lower than the ones they had to pay for their financing. These losses of the Central Bank have already been completely eliminated. The Central Bank's deficit practically disappeared in late June.

Another very large deficit was originated by the utilities, which were charging artificially low rates. In May the basic telephone charge was 10 cents. The average electricity rate throughout the country in May was five percent of the average Central American rate. Of course, this meant having to make heavy outlays on behalf of these utilities, which had to be subsidized. We adjusted the rates and, of course, these deficits have been practically eliminated, which means this source of inflation is also under control.

The other area in which we have made substantial progress has been that of the deficit of the central government. The central government had a deficit of approximately $25 million in April. The deficit during this last month—July—has been estimated at only $13 million. In other words, it has been cut in half, and we expect to reduce it gradually during the next few months within this framework of financial discipline. Finally, we have the deficits of some enterprises of the state's production sector, involving losses that have had to be supported by the financial sector. They are now in the process of reorganization. What all this means is that this painful method of reducing the deficits and eliminating subsidies should gradually bring results.

We hope that by the end of September, we will be able to show the results that should have taken place in July. Unfortunately, this was all postponed by the disturbances that took place in May and July, inasmuch as these disturbances entailed a severe cost for the national economy.

The progress made so far is extremely important, but we hope the actual results of this progress will be visible in August and very evident in a situation of inflation and devaluation that will be basically under control by the month of September.

Therefore, we are in a capacity to announce right now that as of the third week of August, we will enter a new phase in which we will have only one mini-devaluation per week. That minidevaluation will be announced every Monday morning as of the third week of August.

We are very confident that we are going to be making the revisions and adjustments that are necessary in Mrs. Chamorro's economic plan in order to make sure that, notwithstanding the damage done in May and July, we will finally be able to completely discard the old currency, and we will have a solid, strong, and stable currency.

In this manner, we will eliminate this continuous anguish and uncertainty of inflation and devaluation that is a very serious problem for the nation. That problem must be eliminated in the shortest time possible.

I would like now to show you the samples of some of the bills. As of next week, we will begin circulating the 10 [gold cordoba], pardon me, the 50 [gold cordoba] bill that has on one side the picture of the martyr of public freedom, Pedro Joaquin Chamorro [Violeta Chamorro's late husband]. It reads: Nicaragua will again become a Republic, Pedro Joaquin Chamorro. On the opposite side, it has two pictures: The picture of Somoza's statue, the one that was in front of the stadium at the time it was torn down on 19 July 1979, and a picture of a queue of voters with the date 25 February 1990.

We will also be circulating a 20 [gold cordoba] bill that has the picture of the general of free men, Augusto Cesar Sandino, with one of his quotes that says: As long as Nicaragua has children who love it, Nicaragua will be free. On the opposite side, it has a picture of another great patriot, who like him, fought against foreign intervention in our country, Professor Emanuel Mongalo y Rubio, who gave his life fighting against the filibusters during the national war of the past century.

Unfortunately, I do not have a sample of the 10 [gold cordoba] bill that will also be in circulation.

That bill is right now aboard a plane and flying from Great Britain to Miami. A couple of boxes will arrive in Nicaragua tomorrow so that we can meet the need to put in circulation 20- and 10-gold-cordoba bills and pay this month's government salaries. This means that the first gold cordobas will enter circulation through the state employees. Each of these workers will receive two checks when he gets his first payment this month, due on 13 August. One of these checks will be for 50 gold cordobas, which he can cash at any of the banks of the national system. The other check, for those who earn more than the equivalent of 50 gold cordobas, will cover the balance of the salary in old cordobas.

I would like to show you the five-gold-cordoba bill, which carries on its obverse side the likeness of Diriangen, an Indian chief who distinguished himself in the fight against Spanish conquistadors. On the other side, the bill carries a representation of a very important scene in Nicaragua's history. Dona Rafaela Herrera is seen firing a cannon against an English vessel trying to invade the country at the the time. On this side, the bill also carries a sentence written by Ruben Dario saying: Nicaragua is made up of strength and glory. Nicaragua was made to be free.

As you can see, the obverse sides of these bills are green, indicating the hope we all have in a better future for Nicaragua. The colors are as follows: Red for the five-gold-cordoba bill, orange for the 20-gold-cordoba bill, and purple for the 50-gold-cordoba bill. We will also probably be circulating 100-gold-cordoba bills. I would also like to point out that this is probably the bill with the greatest face value in Latin America at present. This is why it has been designed with all kinds of security

measures to prevent forgeries normally attempted with high face value bills. On its obverse, this bill carries the effigy of Ruben Dario, prince of the Spanish letters. On the other side, the bill carries the Nicaraguan national shield of arms. Beside Dario's effigy, there is a sentence taken from a poem by Dario saying: If the homeland is small, we dream it great.

We are making every necessary effort so the banks can have on Monday the necessary quantity of 50-, 20-, and 10-gold-cordoba bills to cash checks. This is a rather complex logistical operation. Putting a currency in circulation for the first time is quite delicate.

As I said before, these bills will be circulating simultaneously with the old bills. The old bills will continue suffering from inflation and depreciation, but the gold cordoba will be freely convertible and equivalent to a dollar. We are in the first phase, which is guaranteeing the gold cordoba's convertibility with a 100-percent dollar backing covering the gold cordobas to be issued over the next few months; therefore, there can be no doubt as to the total equivalence between the gold cordoba and the dollar. Those who want to exchange their gold cordoba for a dollar may come to the Central Bank to exchange it. As I said before, here at the Central Bank there is a dollar bill for each gold cordoba issued. Of course, in the meantime, the most important thing backing the gold cordoba is the Nicaraguans' work.

Production and productivity are requirements for a currency to hold its worth and for it to be a framework of stability for the national economy. Currency on its own cannot resolve the problems; instead, currency holds its value thanks to the work by all the country's citizens.

We have great hope that the spirit of agreement will prevail in the hearts of all Nicaraguans and that we will slowly but surely cast aside all our differences, making efforts to work together and bring the country out ahead.

Correction to Carlos Carrion on Democratization

WA0909184890

The following correction pertains to the item headlined "Carlos Carrion on Democratization, Strategy," published in the 6 August 1990 Latin America DAILY REPORT, page 40:

Page 40, column one, subslug of article make read: ...date not given: "There is Not a Pact Between the Sandinists and Violeta Chamorro." (supplying word "not")

* Poor Medical Facilities in Atlantic Described

90CA0076A Managua LA PRENSA in Spanish 25 Jun 90 p 2

[Article by Aura Peralta C.]

[Text] If the situation in the health system in the area of the Pacific of Nicaragua is unsatisfactory, in the Atlantic area it is more than regrettable. This was visible to the Minister of Health, Ernesto Salmeron, and to the newsmen who visited Puerto Cabezas, in Atlantico Norte, last weekend.

Given the shortages of medicine, doctors, and infrastructure facilities in the Autonomous Northern Region, Minister Salmeron took with him on his visit a substantial quantity of the needed medicine, including antibiotics, medication to control malaria, parasitic diseases, and others. These will be distributed through the Regional Health Department.

He also took with him two thermos containers holding 10,000 doses of vaccines to help control the epidemics plaguing the region. The diseases seen most commonly are diarrhea and malaria. The incidence of the latter is aggravated by the presence of the Pomodium and Falsyparum species of mosquito, according to Dr. Reynaldo Aguilar, a physician and epidemiologist at the Ministry of Health, who was a member of the ministerial delegation.

"With regard to measles, only 27 cases and one death have been reported. These figures are quite low, because of the relative immobility of the population in this region. This is not the case in Managua, where people arriving from various points create a situation which favors epidemics," Dr. Marvin Lung, director of hygiene and epidemiology at the Ministry of Health, said.

Dr. Salmeron inspected the only hospital in Puerto Cabezas, the Grey Memorial Hospital, built in 1948. The minister evinced great concern on seeing the precarious situation of this hospital, although thus far he has only expressed his desire to help.

Grey Memorial looks like an abandoned building. "Inside, there are ancient metal beds and drums in poor condition. Everything has deteriorated," the minister explained. A health official accompanied him on his tour of the various wards, where the minister examined some patients.

Despite the physical condition of the hospital and its shortage of medicine, 200 patients are cared for daily. There are 45 patients occupying beds in the pediatric and men's and women's medical wards, the isolation unit, and the maternity ward, where six women are cared for every day.

"Four months ago, the situation with medicine was different. The shortage was not so great, because Cuban doctors supplied the hospital to a large extent," a patient waiting on a bench to be seen in the emergency ward said.

* Sandinists Viewed as Obstructing Government

90CA0076B Managua LA PRENSA in Spanish 26 Jun 90 p 4

[Commentary: "Unilateral Reconciliation?"]

[Text] If anything has become clear after two months of government administration, it is that the reconciliation policy proclaimed by the president of the Republic, currently being implemented in all sectors of the public administration, has been interpreted by the Sandinists as a kind of unilateral obligation on the part of the government. In their

view, Dona Violeta's reconciliation plan is something like an inalienable right resulting from the fact that they have admitted their defeat, and also, as compensation for having surrendered power.

Nothing could be less logical or further from the truth. The Transition Protocol agreed upon just a few hours after the electoral triumph of UNO [United Nicaraguan Opposition] is very clear, in aspects related to a national reconciliation, but the Sandinists have used these aspects to develop a strategy to ambush the government, in an effort to force it to make concessions beyond what is reasonable. This is dangerous, because as we have said on many occasions, patience has its limits.

In earlier commentaries, we criticized the Sandinist practice of inciting the peasant sectors allied with it to occupy land illegally and irrationally, in an attempt to prevent cotton being produced in the West from reaching the preplanned levels. They even transport carloads of agitators, a practice which could lead to tragedy at any time.

Now they have embarked upon a "cold war," in which their "distinguished jurists" accuse the executive branch of violating the Constitution and the laws with legal instructions contained in Decree 1-90 creating the new ministries of state and other autonomous bodies, all of which was carried out within a constitutional framework. To top it all, the Sandinists claim that the Office of the Attorney General does not exist legally, because it was "wiped off the legal map," and, therefore, its actions are null and void. They have announced that they will file claims of unconstitutionality, threatening that to this end, they will make use of the ideological loyalty of the Sandinists who are members of the Supreme Court of Justice. They hope that these judges will decide that they are right as a function of their party affiliation, rather than the rule of justice.

Also, they have attacked the composition of the boards of directors of state enterprises, criticizing and slanderously insulting their new members. They are accused of engaging in dubious dealings, when they have barely even started the renovation activities in these enterprises, still being managed by Sandinist cadres within the framework of national reconciliation.

The reconciliation cannot continue to be one-sided. The tolerance which provides national reconciliation with its raison d'etre can stretch the citizenry to the limit, [these people] who won an overwhelming electoral majority and have been impatiently awaiting the promised changes since 25 February.

Panama

Attorneys File Suit Against Two U.S. Generals

PA1008022990 Mexico City NOTIMEX in Spanish 2318 GMT 9 Aug 90

[Text] Panama City, 9 Aug (NOTIMEX)—According to three Panamanian attorneys, suits were filed today against U.S. Generals Maxwell Thurman and Marc Cisneros for retaining official Panamanian documents and for "making use of objects that are the fruit of crimes."

Miguel Antonio Bernal, Juan Lombardi, and Miguel Vanegas also accused U.S. Army soldiers of "unduly carrying out public functions" by "illegally" participating in joint operations with the Panamanian Public Force.

U.S. Southern Command Commander General Thurman and U.S. Army South former Commander General Cisneros directed the military invasion of 20 December 1989 that overthrew the government of General Manuel Antonio Noriega.

The attorneys have reported that they will also file suits against Government and Justice Minister Ricardo Arias Calderon and his vice minister, Ramon Lima, for having committed the crime of acting "against the international personality of the state."

Regarding Thurman and Cisneros, the three Panamanian attorneys said that they prevented the Panamanians from having access to documents that were in the office of the former Defense Force of Panama General Command and "that belong to the Panamanian state." The attorneys said that these documents are needed as evidence in pending suits. They accused Thurman and Cisneros of obstructing justice and the free access to these documents.

The U.S. Army South took approximately 15,000 boxes with documents that were in Noriega's headquarters. Tomorrow Panamanian officials will begin negotiations to recover them.

The Panamanian attorneys also accused Thurman and Cisneros of illegally buying arms that were in the hands of Panamanian soldiers and civilians knowing that those arms belong to and were the property of the Panamanian state.

They said that U.S. Army soldiers "stole or unduly took possession of" arms that had been given to people "to defend national sovereignty."

Bernal, Lombardi, and Vanegas stated that U.S. invasion troops are currently carrying out functions that are the responsibility of Panamanian authorities without having any legal authorization to do that.

Since Guillermo Endara took power, U.S. soldiers patrol the streets jointly with Panamanian policemen.

Arias Calderon, who is also first vice president of Panama, and Ramon Lima reportedly have permitted "the meddling of invasion troops in functions characteristic of the Public Force and the Technical Judicial Police," a situation that goes against national sovereignty.

Thurman has been in the United States, where he is undergoing medical treatment, for almost two months, and Cisneros was transferred to Fort Hood, Texas, on 12 July.

Panel Discusses Canal Management, Part I

PA0908140290

[Editorial Report] Panama City Circuito RPC Television in Spanish at 1555 GMT on 5 August airs a program entitled "Let Us Find Solutions" hosted by Julio Miller. The invited guests are Fernando Manfredo, Panama Canal Administrator; Dr. Carmen Miro, director of the National Studies Center; Sidney Richards, secretary general of Local 907; Dr. Carlos Lopez Guevara, a former negotiator of the Panama Canal Treaties; and Dr. Humberto Ricord, a University of Panama professor. The panel discusses what should be done concerning the Panama Canal, the lack of definite strategies and policies with regard to the reverted properties, and other matters related to the canal area. Part I of the discussion is aired on 5 August, with Part II being scheduled to air on 12 August.

After an introduction, Miller asks Manfredo about the current status of the Panama Canal. Manfredo replies that "the canal is functioning very well, its reputation with its clients is sound, and nearly 86 percent of its labor force consists of highly trained Panamanians." He also says that the next stage is to transfer canal administration from the Panama Canal Commission to the Panamanian Government in the year 2000. Asked by Miller whether the country is preparing itself for this second stage, Manfredo answers that it will require a joint Panama-U.S. effort to pave the way for this changeover, but that little is being done because not enough people are aware of the need for this preparation.

Later, referring to the absence of an organization in charge of establishing a definite policy for developing the canal area, Dr. Guevara said that "even though a bill was drafted to create the Panamanian Canal Authority with ample power to receive the reverted property according to the treaties" sadly this organization "became filled with high-paid bureaucrats." However, instead of correcting this mistake, he says, the government has abrogated the law. He also states that the "best model for creating a new Panama Canal Authority is the Panama Canal Commission." There is no initiative in the government, he adds.

Asked whether he participated in these activities, Manfredo says that he has not been consulted, perhaps "because they have all the answers." He adds, "During the past seven months, I have never been invited to participate in anything."

Asked by Miller about the Panama Canal tolls, Manfredo replies that, although many people in Panama think otherwise, the Neutrality Treaty includes not only the canal, but the administration of the present canal and any other canal that Panama might build beyond the year 2000. Manfredo adds that, before changing the tolls collected at the Panama Canal, the Panamanian Government must take into consideration the U.S. merchant fleet's interests. He is concerned, he says, that the treaties stipulate that Panama must keep the canal operational, even if it operates at a loss. Such losses might be compensated for by raising tolls, but the two countries must reach a consensus on such increases, he explains. The situation might be settled by arbitration, Manfredo goes on to say.

Commenting on the toll issue, Dr. Lopez says that in setting tolls, Panama must honor UN Resolution No. 1,803, Chapter XVII, which says that every state has the right to exploit its natural resources. He adds that Panama's sole limitation is competition from alternate routes.

Dr. Lopez claims that Panama must "guide its own actions by the way that the United States has interpreted the clauses. The canal administration has applied the Constantinople Convention in setting tolls. What has the United States done all along? It has done as it has pleased. It has just increased tolls by nine percent."

When program host Miller asks Dr. Lopez whether Panama should renegotiate the canal treaties, he replies that "there should be absolutely no negotiation before the year 2000. We must assume control of the canal, manage it in a sovereign manner, and set the tolls. If someone wishes to protest, let him do so. We know that the canal has competitors, and thus, we would not arbitrarily set tolls. No, we are aware that there is a limitation called competition. That is the key factor."

Dr. Lopez adds: "However, we should not be told to take into account U.S. interests in setting tolls. No, it is international law that must prevail." He then goes on to recall the Suez Canal crisis when the UN Security Council decided to leave politics out of the process of setting tolls.

He points out that "that the UN resolution, which is included in international law, gives us the right to set tolls as a way of exploiting our natural resources." He adds that "we, as managers, will set tolls in the same way the United States has up to today, and if someone should complain, the international court could act as arbitrator."

In this regard, Dr. Ricord is asked to comment, and he states that limitations or restrictions contained in the Neutrality Treaty oblige Panama; however, "I remember that during the political campaign, ADOC [Civic Democratic Opposition Alliance] committed itself to denounce and repeal the Neutrality Treaty." He adds that Panama hopes that it will honor its pledge.

Dr. Manfredo expresses disagreement with Dr. Lopez' opinion that Panama should not renegotiate the canal treaties. He says that there is no need to renegotiate the treaties per se, but "Panama must maintain permanent negotiations with the United States regarding the treaties."

He adds that Panama will have to "negotiate amendments to Law 96-70 with the United States; it is possible that it will have to negotiate canal improvements, such as the Culebra Cut enlargement; and that it will have to negotiate interpretation of the content and scope and certain treaty clauses."

Miller asks Dr. Miro to comment on this, and she expresses agreement with Manfredo on the need to establish a Panamanian leadership group to deal with

canal issues and the many topics that Panama still has to discuss with the United States. Concerning canal tolls, Dr. Miro stresses that "once Panama becomes sovereign over the Panama Canal, it must also take into account the interests of Latin American countries that have aspirations based on their relations with our country."

In response to Miller's question about the relationship between high salaries, competitiveness, and the setting of tolls, and whether the Panamanian economy will be able to continue paying such high salaries, Richards states that there is a misconception about salaries paid by the Panama Canal Commission.

These salaries, he explains, directly depend on canal tolls—that is, on the international community that pays them. Richards adds that they represent a significant inflow of money into the national economy that is not paid by the government or private sector, but is subsidized by the international community.

Miller asks Dr. Lopez to give his opinion in his capacity as a former canal treaty negotiator. Dr. Lopez says that any good canal administrator must take all the factors mentioned into account in setting tolls. However, he adds, in the end, "Panama, as the sovereign and exclusive owner and as canal administrator will make the decisions deemed most appropriate to ensure efficient operation and the highest possible profits while taking into account that the canal has competitors and that new facilities that compete with the canal are being developed. This is the official foreign ministry stand."

As for the Neutrality Treaty, Lopez says that he has been proposing its renegotiation "to turn it from a bilateral Panama-United States relationship into a universal treaty in the style of the 1888 Constantinople Convention" to ensure the expeditious passage of vessels. He adds that this is a good moment to renegotiate this treaty, because of the atmosphere of detente that exists between the two superpowers.

Host Julio Miller concludes Part I of this discussion stating that politics must not influence canal decisions and that we must ensure canal competitiveness. He also reminds the viewers that this discussion will conclude on 12 August.

Security Agency Consists of Former FDP Members

PA0908142790 Panama City EL SIGLO in Spanish 6 Aug 90 p 5

[From the "Leaks and Tips" column]

[Text] Mello Aleman [nickname for Alfredo Aleman Chiari], widely known as Carlos Wittgreen's intimate associate and owner of nightclubs and discos such as the Capo's chain in the Chanis and El Dorado neighborhoods, Patatus, and elsewhere, recently purchased a security guard agency that consists of several hundred men in Panama with branches in Colon and David. All of these private policemen are well-armed and well-trained, and many of them are former Panama Defense Forces (FDP) members. The alarmed community asks: "For what reason would Mr. Aleman want a private army ...?

Residents Report Actions by 'Presumed Guerrillas'

PA0908163590 Panama City EL SIGLO in Spanish 7 Aug 90 p 19

[Report by Yall Enrique Pitti]

[Text] Residents of Volcan, Chiriqui Province, have told EL SIGLO that individuals armed with Uzi machine guns, assault rifles, and sophisticated communications equipment are terrorizing the highlands of the province.

Residents of Rizingal, an isolated village on the way to Rio Sereno, reported that four armed individuals stormed into a farm on 3 August and forced its owner to turn over her jewelry and money.

Chiriqui residents said that the attackers, presumably former members of the dismantled Panama Defense Forces or members of the M-20 [20 December] guerrilla movement, cut off telephone lines to prevent the farm owner and her family from calling the authorities or their neighbors after the robbery.

They added that this is not the first time that armed individuals have robbed farmowners in the highlands, because they are prosperous businessmen. Some have already left for the cities of David or Panama City out of fear of the presumed guerrillas who have not been captured by the Public Force.

Oil Commission Created To Adopt Measures

PA1008040590 Panama City Circuito RPC Television in Spanish 2300 GMT 9 Aug 90

[Text] Given the possibility of an increase in oil prices due to the latest world events, particularly in the Middle East, the executive branch has created a special commission comprised of the comptroller general, the National Bank manager, the minister of commerce and industries, and representatives of the Panama Refinery. This commission will make sure that our country prepares for an oil crisis.

[Begin Commerce and Industry Minister Juan Chevalier recording] First of all, we must guarantee the oil supply. Second, we must prepare the process of financing the oil purchases. This is what we discussed in today's meeting. We will continue to work on the same topic tomorrow because in oil matters, like I have already told you, you do not buy today to have it delivered tomorrow. Instead, we must guarantee the oil deliveries in advance, and we must have the money to buy it. [end recording]

Argentina

Menem Discusses 'Peace Force' for Iraqi Conflict

PY0908140090 Buenos Aires TELAM in Spanish 1325 GMT 9 Aug 90

[Text] Buenos Aires, 9 Aug (TELAM)—President Carlos Menem has maintained that "world peace is in danger today" with the outbreak of the conflict between Iraq and Kuwait in the Persian Gulf. "This pseudowar is affecting the world economy" the president said.

Regarding the possibility of sending Argentine troops, he stated that it would be a "peace force" made up of troops from Latin American countries and that they "would be professional soldiers."

In remarks made in the press room of Government House, Menem highlighted the fact that our country condemned the aggression even before the UN Security Council issued its resolution. He also stated that, based on the latest reports, Argentine citizens in that region are doing "well." He noted that "we will receive more precise information" during the course of the day.

General Appointed Joint Staff Deputy Chief

PY0908222190 Buenos Aires TELAM in Spanish 0320 GMT 9 Aug 90

[Text] Buenos Aires, 8 Aug (TELAM)—It has been officially reported that the executive branch has appointed Brigade General Horacio Guillermo Canestro as deputy chief of the joint staff, thus filling a position that had been empty for some time.

The official appointment was made through Decree 1449, which has been signed by President Carlos Menem and Defense Minister Humberto Romero.

Bolivia

Officials Say Results of Quayle Visit Positive

PY1008033090 La Paz Television Boliviana Network in Spanish 0030 GMT 10 Aug 90

[Italicized passages are recorded]

[Text] Presidency Minister Gustavo Fernandez Saavedra has termed U.S. Vice President Dan Quayle's visit to Bolivia as positive. During the visit, Quayle announced, on behalf of his government, a considerable increase in U.S. technical and economic cooperation with Bolivia.

Quayle left for Haiti this morning under the same strict security measures that had prevailed since his arrival and throughout his 13 and one half hour stay, which consisted of a very intense official agenda. At about 0730 this morning, high-ranking Bolivian officials said farewell to Quayle at the El Alto International Airport.

Quayle met with President Paz Zamora last night and then made important announcements about increased U.S. technical and economic assistance for Bolivia.

Reports from Santa Cruz de la Sierra State said that Quayle arrived at that city after 0800, stayed there for about one hour, received the greetings of the main local political and administrative officials, and left for Haiti.

Bolivian Vice President Luis Ossio Sanjinez said the following about Quayle's visit to Bolivia:

[Ossio] *The talks with Mr. Dan Quayle had enormous importance for Bolivia because they gave continuity to the Cartagena accord. In his long talk with President Paz Zamora, which he summarized in a news conference, Vice President Quayle clearly expressed the U.S. Government decision to support and cooperate with our efforts to free Bolivia from the current crisis and solve the problems caused by a lack of sustained support for our projects aimed at creating jobs, and to fully respect our national sovereignty regarding use of the Armed Forces in the antidrug-trafficking fight.*

Minister Without Portfolio Guillermo Fortun also commented on Vice President Quayle's visit:

[Fortun] *We can describe the U.S. Vice President's visit to our country in a few words: The visit was fruitful, and it has been made clear that the Armed Forces will not take part in the antidrug fight in Bolivia. This was made entirely clear. It was also well understood that Bolivia wants to implement and continue to work intensively for the Coca for Development plan. The visit by Vice President Quayle and his aides can be termed as highly interesting for the country.*

President Jaime Paz Zamora feted the distinguished visitor and his entourage at a Government Palace banquet.

[Paz Zamora] *The Bolivian people are increasingly satisfied with our improved relations with the United States. I would like to offer you a toast on your short, but very significant, visit, and ask you to give our greetings to our dear friend, President Bush. I would also like to reassert my administration's and the entire Bolivian people's will to start a new stage in our mutual relations and to face the important challenge of uniting the Americas.*

Brazil

Annexation of Kuwait Not Recognized

PY0908121590 Brasilia Radio Nacional da Amazonia Network in Portuguese 1000 GMT 9 Aug 90

[Text] The Brazilian Government has not recognized the annexation of Kuwait to Iraq, which has been announced by the government of President Saddam Husayn. Brazil will comply with the UN Security Council resolution that condemned the invasion and ordered an economic blockade on both countries. The

Iraqi Embassy in Brasilia has announced the unification of Iraq and Kuwait, reporting that Kuwait no longer exists as a nation because it is part of the Peoples' Democratic Republic of Iraq.

Plan Ready To Withdraw Citizens From Iraq

PY0908190990 Rio de Janeiro Rede Globo Television in Portuguese 1600 GMT 9 Aug 90

[Text] The government already has a plan ready to withdraw Brazilian citizens from Iraq and Kuwait if it becomes necessary.

Itamaraty spokesman Jose Vicente Pimentel has said that many Brazilians have contacted the Brazilian Embassy in Iraq to know what to do. There are 300 Brazilians in Iraq and more than 20 in Kuwait.

An emergency plan to withdraw the Brazilian citizens from the conflict area has already been devised.

[Begin Pimentel recording] We are prepared to activate plans that would facilitate the withdrawal of Brazilians living there if something (?much) more serious happens. [end recording]

Gustavo Stroessner Arrested; Extradition Pending

PY0908165690 Rio de Janeiro Rede Globo Television in Portuguese 1620 GMT 9 Aug 90

[Text] The oldest son of former Paraguayan dictator Alfredo Stroessner has been arrested in Brasilia by the Federal Police. The Paraguayan Government has requested that Gustavo Adolfo Stroessner be extradited from Brazil to Paraguay.

Gustavo Adolfo Stroessner, 46, was arrested this morning at his house in Brasilia and brought to the Federal Police Superintendency. His preventive arrest was ordered by Federal Supreme Court Justice Jose Celso de Mello in response to an extradition request from the Paraguayan Government.

A warrant for Gustavo Adolfo Stroessner's arrest has been pending in Paraguay since charges were filed with the Supreme Court for crimes against the public administration. He will remain in the custody of the Federal Police pending further orders from the Brazilian court.

Stroessner's son will remain in the custody of the Federal Police for as long as it takes to complete extradition proceedings.

Chile

Interior Minister Returns From Colombia

PY0908195190 Santiago Radio Chilena Network in Spanish 1700 GMT 9 Aug 90

[Text] Interior Minister Enrique Krauss has emphasized the firm willingness to activate the bilateral political cooperation between Colombia and Chile. The interior minister returned from that country where he attended Cesar Gaviria's presidential inauguration.

In his first day as president, Gaviria granted an audience to Krauss. This emphasizes the importance that Colombia assigns to Chile regarding foreign policy matters.

Enrique Krauss expressed to Gaviria Chile's political willingness to enhance our relations with Colombia. They also agreed over the repression and prevention of drug trafficking.

Chile and Colombia will also cooperate in financial, tariff, and customs matters.

Weekly Views National Political Situation

PY0908163090 Santiago APSI in Spanish 1-14 Aug 90 pp 20-22

[Report by Marcelo Mendoza Prado; quotation marks as published]

[Text] The real, though not yet formal, split of the Movement of the Revolutionary Left, MIR, took place during a meeting of the central committee plenum held in Buenos Aires in May 1986. The dispute between the faction led by Andres Pascal Allende, then secretary general, (who assumed that post after the death of Miguel Enriquez in October 1974) and the faction led by Nelson Gutierrez became irreparable: Gutierrez was making a profound self-criticism and felt that the MIR should change its course, while Allende felt that this was a serious mistake. Moreover, four "followers of Gutierrez" wanted to be replaced on the Central Committee. The formal split took place in March 1987. Gutierrez and his followers joined the United Left and since then they have been known as MIR-R ("renewal faction"). Basically, they have abandoned the strategy of Protracted Popular War (GPP), a theory the MIR has been implementing since 1978, and which included armed propaganda and military action.

After the first split, the MIR held its fourth congress, which has been postponed since 1969. Neither Gutierrez nor his followers attended that congress. Hernan Aguilo, the party's under secretary in charge of the Military Commission (CM), who supported Allende's theory in 1986, stated then that the CM deserved more directive posts than what it had, and since Allende did not accept them, the second split took place. Aguilo's CM withdrew and since then it has been acting independently as MIR-CM or MIR-Aguilo.

There is a third group which is also falling apart: the "foreign logistics" group (known as "the men of the Cat," referring to the leader). A source has told APSI that the Cat "avoids a confrontation with Aguilo and claims that these three groups should live autonomously until the historical moment arrives for their reunification." The Cat group should only operate abroad, "if it is still operating," because it has not managed to establish any ties with militants in Chile.

Full Stop: The Convergence

The MIR-R has participated with candidates in the latest congressional elections, but failed to obtain any representative, just like the Communist Party [PC]. However, it is clear that they have chosen, like the PC, the route to Congress. Moreover, there are rumors that Gutierrez will reportedly join the moderate Unified Socialist Party. And if not him, at least some important militants. What happens, according to some, is that perestroyka is stronger and the much-publicized "crisis of socialism" has been such a tremendous impact on them.

Undoubtedly the MIR-CM has the most extreme position of all. Its monthly mouthpiece, EL COMBATIENTE, is in charge of publishing its position regarding the current situation. In its special March issue, it carries an interview with criminal Jorge Palma Donoso, sentenced to life imprisonment for the attack on General Carol Urzua in 1982, in which he stresses the following: They seek the "overthrow of the current regime headed by Aylwin, the establishment of a democratic, popular, and revolutionary government, and the opening of doors through which the free people can march;" he proposes "the generation of a minimum clandestine revolutionary trend in the natural organization of mass movements." He insists on the "organization of the people's armed military power, and criticizes the "revisionist" movement of "a large sector of MIR leaders." He says that the current situation "poses objective conditions for the development of the armed struggle in Chile." His final sentence summarizes his thoughts very well: "If we are capable of struggling zealously, with a just policy, we will be able to take heaven by assault."

Some MIR-R militants are skeptical about the fate of the MIR-CM. It has been accused of very strange and similar accidents in some of its actions (such as the death of Araceli Romo and one of the Vergara brothers during the second half of 1988), and that its extreme clandestine nature makes it vulnerable to some infiltration. The truth is that for a long time it has not engaged in any military action, which is one of its main objectives. Its latest public appearance was through a communique released in mid-July, due to remarks by Patricio Rivas and Jose Miguel Moya (of the MIR-R), in which they threaten to reveal important details of the 600 armed actions carried out by the movement in the past. The MIR-CM is categorical: It states that if those details are revealed, the democratic and revolutionary struggle would be denounced and betrayed, and denouncement has its own punishment." The MIR-R leaders have neglected the strategic and programmatic objectives of the proletarian revolution," the MIR-CM states.

The Cosor [Coordinating Board of Socialist Revolutionary Forces for Unity—coordinadora de fuerzas socialistas revolucionarias por la unidad], the PS-Salvador Allende [Socialist Party-Salvador Allende faction], the MIR-Pascal, the FPMR [Manuel Rodriguez Patriotic Front], the FPMR autonomous faction, and the MAPU-Lautaro [Lautaro United Popular Action Movement] are today grouped in a single organization, the Intransigent People's Movement (MPI) [Movimiento Pueblo Intransigente], which seeks to unite the leftist sectors that do not have representatives in Congress to organize some common fronts. The "forums of the left" of PUNTO FINAL are the most genuine expression of the MPI, which has attended ceremonies like the funeral of Clotario Blest. It was in fact the MPI members at the funeral who said the final words to the late leader and it was they who buried him by "grabbing" the coffin while stoning CUT [Central Labor Union] members and government officials."

A good deal is known about both FPMR branches. It is known that the FPMR-Party (which is believed to be linked with the PC [Communist Party]), promised a one-year truce to the Aylwin administration before undertaking any new armed action. It is also known that the autonomous FPMR did not declare any truce and that it has claimed the attacks on Generals Leigh and Ruiz and the killing of Colonel Fontaine. All these actions occurred after 11 March. The main public figure of the autonomous FPMR is prisoner Vasily Carrillo, who could not obtain the government's permission to attend the funeral of his father (who was executed in Lota in 1973), despite the fact that he had in principle obtained authorization to attend the funeral. The autonomous FPMR has charged that there is "a government plan to neutralize and annihilate the FPMR," similar "to the plan that the CNI [National Intelligence Center] implemented in June 1987 with the so-called 'Albania operation.'" The autonomous FPMR has advocated "patriotic trials for national dignity" with the following slogan: "Pardons for the murderers, never!"

Because of its features, the MAPU-Lautaro (through the activities of the Lautaro Youth Movement or the Lautaro People's Rebel Forces) appears to be the most peculiar ultraradical group. The group refers to the Aylwin administration as a "eunuch" and charges that there are no major differences between the Pinochet and Aylwin governments, as the Coalition of Parties for Democracy is delivering only "scraps." The slogans of the group are much stronger than any speech: "We are the strength of the power of happiness!" and "To hell with Aylwin and his timid democracy!"

The MAPU-Lautaro advocates total revolution, including sexual revolution. One of their emblems is a naked woman brandishing a rifle. Could this woman be the most-wanted submachine gun woman—the short lady who leads holdups on banks and drugstores with strong determination? She has become famous for holding up drugstores to steal condoms and birth control pills—following the advocated sexual revolution—and distributing them in shantytowns.

A long interview with a man named Diego Carvajal could be the best source for understanding the principles of MAPU-Lautaro. The language used in the interview is quite different from the language used by the other

marginal unrepresented organizations. The MAPU-Lautaro group has carried out many actions to "recover goods." It has also participated in several actions in which people have been wounded, both before and after 11 March. The demand for happiness, rather than equality and justice, undoubtedly indicates a new model for this type of organization in Chile. In the past, the ultraleftist sector considered happiness a bourgeois delight.

There is also the so-called Communist Party-Proletariat Action, which advocates Albanian Stalinism as a panacea. Its leaders are Marx, Engels, Lenin, and Stalin. Eduardo Cortes and Luis Gonzalez, two leaders in this sector, said in January that they actively supported the no-vote in October 1988 and the candidacy of Aylwin in December 1989; for this reason they "do not want to destabilize the democratic government." However, they consider themselves to be "atheist militants" who are against ideological pluralism and totally for the dictatorship of the proletariat.

The Communist League is another group. It publishes the bimonthly magazine COMBAT and advocates "the unity of all forces that fight for the proletariat revolution and socialism" to "pave the way for a government by the workers and by the people."

The Movement Toward Socialism (MAS) registered in February last year. Its president was Yuri Fidel Carvajal Banados (who is currently leading the rebellions in the San Miguel clinics), and its secretary was Anton Ziller. The group advocated a "workers party" and wanted to "unite the leftist forces to sponsor an independent candidacy." This objective was not fulfilled, unfortunately, and one year later the electoral service canceled their registration due to a lack of signatures. They proposed a new constitution, which was to have been designed by a popular assembly. Perhaps they were the last expression of local Trotskyism. Not much is known about this sector today, except that in the last elections at the FECH [Student Federation of Chile] they obtained 121 votes, as compared to the 167 votes obtained by the PS-Salvador Allende. These were the only ultraleftist groups to participate in the election.

The MIR-Pascal (although, APSI has found out, Pascal Allende does not hold any executive position) follows an intermediary line between the two other sectors. Its major support comes from the biweekly PUNTO FINAL, which is managed by Manuel Cabieses, who is one of the group's influential persons although he does not hold an executive post. PUNTO FINAL has become the rendezvous point for the majority of the leftist groups not represented in Congress. On its pages there are frequently inserts and letters from the Lautaro Juvenile Movement, the two FPMR factions, Cosor, the PS-Salvador Allende, PC-Proletarian Action, the MPI, and the Patriotic Youth (linked to the FPMR, with Karin Eytel as its spokesman), and other lesser known groups.

Cabiese and his newspaper PUNTO FINAL are the promoters of the so-called "forums of the left" that have been held since last year in an attempt to unite the leftist forces behind common ideas and programs. The independent socialist Pedro Vuskovic has a significant role in this, speaking for the reorganization of the various dispersed groups to exert some influence in the country's political life.

The MIR-Pascal is going through a process of self-criticism and is opposed to "a military solution as the solution of choice" [lo militar por lo militar], although it still clearly defends the Cuban experience. PUNTO FINAL dedicates many pages to the subject of Cuba and Central America. The MIR-Pascal is apparently closer to the Sandinist model, but, in times of crisis, it clearly does not intend to follow any particular model. Everything is being reviewed. Its criticism of the Coalition of Parties government is more specific every day and is directed at certain people. The MIR-Pascal is not yet conducting a congressional policy.

It is clear that the groups not participating in conventional politics are working hard to gain influence at the neighborhood and community levels. They are interested in the democratization of the neighborhood boards and are participating in elections with that goal. Some groups—some more than others—clearly see the possibility of participating in the mayoral elections that may be held next year, if the Constitution is amended to that effect.

Marcelo Castillo, director of EL POPULAR, the group's newspaper, and a member of the PS-Unitarian, told APSI that Cosor is doing conscientious work in preparing for the eventual elections. Cosor came into being in October 1989 as an alternate socialist force to the "reformist" PS-Unified. On 14 December Cosor did not support Patricio Aylwin (nor did it make any declaration against him) and did not participate in the congressional elections. Cosor proposes to continue the PS historical line and hopes to build a "workers democratic republic," as the only way to destroy capitalism. It considers itself to be Marxist with traces of Leninism, although its membership is not all that uniform. It believes in the importance of Lenin, Rosa Luxemburgo, Gramsci, Che Guevara, and Mariategui. Regarding the Aylwin government, Cosor takes a stand "of political autonomy, class independence, but not opposition," and recognizes its relations with the two factions of the FPMR and MAPU-Lautaro, with which it hopes to form alliances.

Cosor was born from the confluence of the PS-Unitarian; the PS-Collective Directorate (or PS-Commanders), for which sculptor Lautaro Labbe has been the spokesman; the Allendist Socialist Current; the National Committee of Grassroots Unity; and the Nonorganization Socialists (like Pedro Vuskovic, who holds no position at Cosor, but has Eliseo Sau as his right-hand man). The PS-Salvador Allende, with Jaime Duran as its spokesman and Robinson Perez as its mastermind, has not yet joined the Cosor, but is close to doing so.

Businessman: Arms Sales to Iraq Halted in 1988

PY0908132690 Madrid EFE in Spanish 0953 GMT 9 Aug 90

[Text] Santiago, 9 Aug (EFE)—After learning about the Chilean Government's decision to ban the sale of arms to Iraq and Kuwait, Carlos Cardoen, a Chilean businessman of Belgian descent, said that he has not sold arms to Iraq since the end of the war between that country and Iran.

Cardoen, a young, ambitious businessman, maintained close contacts with the regime of General Augusto Pinochet, and maintains the same good contacts with the government of President Patricio Aylwin. Cardoen made a fortune through the sale of arms to Iraq between 1980 and 1988.

Cardoen told the local press that "after selling defensive weapons, we began to sell engineering projects for the reconstruction of Iraq's civil industry, and we have maintained that policy. No arms have been sold to Iraq since the war ended."

National Centrist Union Merges With UCC

PY0908232390 Santiago EL MERCURIO in Spanish 30 Jul 90 p C2

[Summary] Antonio Yelpi, secretary general of the National Centrist Union (UNACE), has reported that his party has decided to merge with the Center-Center Union (UCC) [Union de Centro-Centro].

Colombia

Gaviria Holds First News Conference as President

PA0908190090 Bogota Inravision Television Cadena 2 in Spanish 1736 GMT 9 Aug 90

[Italicized passages are recorded]

[Text] During his first news conference as Colombian President, Cesar Gaviria has told foreign reporters that extradition would be a discretionary government measure as long as narcoterrorism continues to exist.

Today, Cesar Gaviria imposed a new presidential style as far as his relationship with the media is concerned. He has started to use the news conference style. Although the first of these news conferences was held with foreign newsmen, Colombian newsmen were allowed to take notes of the President's statements.

President Gaviria used the occasion to make specific statements on very thorny issues such as extradition:

[Gaviria] *Until we are sure that terrorism has disappeared and that our judicial system has been truly strengthened, we must maintain extradition as an available resource. It is, however, undesirable to be forced to maintain extradition as a government resource in the future without being able to turn it into a truly discretionary government measure. We must move on toward that goal. We cannot turn extradition into a useful resource in itself.*

Gaviria, along with four of his closest advisers, has stated that his government will treat drug trafficking as a common crime, not as a political crime.

President Gaviria also used the occasion to defend Health Minister Antonio Navarro Wolff:

[Gaviria] *I am pleased with that appointment. I appointed Minister Navarro, and I am not worried about him. I am sure he will be a good minister. He has one of the best curricula vitae within the Cabinet I have formed.*

As for Colombia's foreign policy, Gaviria reiterated that for the time being Colombia will not resume diplomatic relations with Cuba, although there are in fact cordial ties with Fidel Castro's government. Gaviria stated that there will not be any changes in Colombia's foreign policy and he used the occasion to comment on the situation in the Middle East.

[Gaviria] *The two main instruments that we have to help the international community at present are the UN Security Council [word indistinct] attitude and the determination to temporarily increase our oil production to help the international community, which has unanimously rejected the Iraqi actions in the Persian Gulf.*

President Gaviria concluded his first meeting with the press after 70 minutes, during which time he reiterated his rejection of paramilitary groups and insisted on the defense of human rights.

President Menem, Quayle Meet in Colombia

PY0808182590 Buenos Aires BUENOS AIRES HERALD in English 8 Aug 90 p1, 11

[Text] (NA-DYN)—President Carlos Menem, on hand for President Cesar Gaviria's inauguration, met yesterday with Vice-Presidents Dan Quayle of the United States, Guillermo Ford of Panama and Jose Fernandez of Cuba.

With Quayle, the head of state discussed the situation after Iraq's invasion of Kuwait and the initiative of U.S. President George Bush for Latin America. His conversation with Fernandez evolved around the conflict between Cuba and Spain due to the presence of Cuban dissidents in the Spanish Embassy in La Habana.

In brief statements to the press at his suite in the Tekendama Hotel, Menem said that he would continue with his plan to reform the National Constitution despite the avalanche of votes against a similar proposal in the Buenos Aires province on Sunday but warned that he would accept no impositions from the Radicals, like including the possibility of presidential re-election in exchange for introducing a parliamentary system.

"If that is the proposal, let us stay with the current Constitution," he pointed out.

He neither confirmed nor denied the possibility of becoming Justicialist Party chairman after the resignation of party head and Buenos Aires Governor Antonio Cafiero.

Menem also said Cafiero's decision to resign "makes sense."

"I agree with his quitting the party post but not the governorship because that is an entirely different matter." the President commented.

Panamanian Vice President Meets Regional Leaders

PA0908164690 Panama City LA PRENSA in Spanish 8 Aug 90 p 1

[Text] Guillermo Ford, second vice president and minister of planning and economic policy, met in Bogota yesterday with dignitaries of several countries, including Argentine President Carlos Menem, Venezuelan President Carlos Andres Perez, Ecuadoran President Rodrigo Borja, and the Haitian president.

According to press reports issued by the Planning and Economic Policy Ministry, Ford traveled to Colombia to attend the inauguration of President Cesar Gaviria and took advantage of this opportunity to meet with OAS Secretary General Joao Baena Soares to discuss regional issues.

Along with Deputy Foreign Minister Jose Raul Mulino, Vice President Ford met with Inter-Development Bank President Dr. Enrique Iglesias to discuss Panama's economic and fiscal situation.

The planning minister told Iglesias that Panama is in the process of drafting an economic program that "is based on a strictly Panamanian model" to help the country achieve sustained economic growth and restore its credit standing among international financial institutions.

President Menem offered to help consolidate democracy in Panama.

Ford also met with others who attended a private dinner hosted by outgoing President Virgilio Barco. They were the vice presidents of Chile, El Salvador, Brazil, Dominican Republic, and Costa Rica, and the Belizean prime minister.

Guillermo Ford will return to the country in the evening of 9 August.

Paramilitary Chief Promises Aid for Peasants

PA1008023490 Bogota Inravision Television Cadena 2 in Spanish 0000 GMT 10 Aug

[Text] Fidel Castano, the alleged paramilitary chief in Cordoba Department, today made a reappearance. Castano sent a communique to the press to promise, this time, that he will distribute $2 million among the peasants in the region. We hope the communique will be true. Here is a report by Alvaro Garcia:

[Begin Garcia recording] Fidel Castano, the Rambo of (Endava) has made an appearance again through a bizarre document that looks more like a political program than the testimony of the leader of one of the most violent and bloodthirsty groups in this country.

This time, Fidel Castano asserts that he has demobilized the groups he calls self-defense groups in Cordoba, Antioquia, and Choco. He adds that he will donate his lands in Amalfi, San Carlos and Segovia to the neediest inhabitants of the area. The baffling document goes on with a plan for agro-industrial financing involving a 1-billion peso fund. It simultaneously proposes a cooperative fund and a technical assistance plan. Rambo asserts in his document that the state must cooperate with his plan by legalizing these donations through the creation of a social welfare entity.

The communique ends with the assertion that, in order to avoid misunderstandings, he is not interested in having the political affiliation of beneficiaries taken into account when making the grants. [end recording]

Ecuador

Leftist Parties Question Economic Policy

PA0908215290 Quito EL COMERCIO in Spanish 30 Jul 90 p a-3

[Text] Two leftist parties, namely the Broad Front of the Left, FADI, and the Democratic People's Movement [MPD], have agreed to question the economic policy of the Democratic Left [ID] government and the lack of a solution to the crisis facing the country.

They underscored the need to unite to face the crisis that is affecting the poor people and draft bills to improve the situation of the Ecuadoran people.

The two parties have announced that they will wage an active opposition against the government. In an interview with this newspaper, FADI President Xavier Garaycoa and MPD Director Jorge Moreno defined the policies that will govern their actions during the next legislative period.

Garaycoa voiced his concern over the advance and resurgence of the Social Christians, thanks, he noted, to the discredit of the ID. He added that the crisis is worsening, and thus, the the poor people must unite.

Garaycoa said that FADI will combat the rightists and ensure that the National Congress introduces democratic amendments to face the crisis.

MPD Director Jorge Moreno announced that his party will be the standard-bearer of a campaign to demand that the government meets the poor people's needs. He criticized the slowness of government economic policy that has increased the cost of living and increased unemployment.

Moreno said that his party will oppose the government, and he called for unity to monitor the government's actions. He questioned the slowness of government actions and its lack of iniatiatives to face the crisis. Moreno added that the ID has no plan to rectify mistakes.

Moreno admitted that a lack of effort among the rank and file caused his party's electoral defeat in the 17 June elections, leaving it with a sole deputy at the National Congress.

AVC Members Occupy Bishops Office; Begin Fast

PA0908171390 Madrid EFE in Spanish 1743 GMT 8 Aug 90

[Text] Quito, 7 Aug (EFE)—Twenty insurgents of the Alfaro Lives, Dammit! (AVC) group today peacefully occupied the headquarters of the Ecuadoran Bishops Conference in downtown Quito, a few meters from the government palace, and started a three-day fast.

According to an AVC press communique, with this action, the group, which is currently observing a truce and is on its way to becoming a political party, seeks to pressure the deputies-elect, who will be installed on 10 August, to legislate in favor of the country's poor, youths, and Indians.

The AVC, which recently announced its intention to turn over its weapons to the Andean Parliament, has asked Quito Archbishop Msgr. Antonio Gonzalez to carry to the unicameral congress a letter addressed to the deputies-elect and President Rodrigo Borja.

In this letter, the AVC demands that the congress, among other things, make amendments to expand voting rights to include Ecuadoreans 16 years and older as opposed to 18, approve an amnesty for all political prisoners, and establish special regulations to effectively solve the land problems of Indian peoples.

It demands that President Rodrigo Borja hold regional talks with all the country's social groups, define real ways to pay the social debt without turning it into a distribution of crumbs, commit himself to assigning housing and health services for the poor, establish loans for crops and production, and resolve domestic business problems.

Paraguay

Government Supports UN Resolution on Iraq

PY0908131490 Asuncion ABC COLOR in Spanish 9 Aug 90 p 10

[Text] Foreign Minister Alexis Frutos Vaesken yesterday announced that the Paraguayan Government has endorsed the embargo imposed on Iraq by the United Nations. The minister said that the government sent a statement to the United Nations condemning the Iraqi invasion of Kuwait.

The statement says that our country condemns all kinds of aggression and supports the search for peaceful solutions. Frutos Vaesken said that Paraguay agrees to "the adoption of all measures that may be necessary to repress [reprimir] invasions and the installation of artificially created governments."

The statement notes that the United Nations issued a resolution two days ago condemning the invasion and that strong measures have been taken not only against Iraq and the government that has been installed in Kuwait, "but also to protect Saudi Arabia, which has been threatened by the conflict."

The minister said the invasion is a "serious" event, noting that it must be considered a warning because "we are living in relative peace in the world, and any imbalance—especially in the oil-producing Persian Gulf area—may result in serious consequences."

President Rodriguez Reorganizes Commands

PY0908134090 Asuncion ABC COLOR in Spanish 9 Aug 90 p 9

[Text] Brigadier General Ricardo Antonio Rojas Ortiz yesterday was designated acting commander of the 3d Army Corps based in Mariscal Estigarribia, in the Chaco region. With this nomination, Division General Otello Carpinelli Yegros has definitely been replaced. He is currently being prosecuted by the military court.

Army General Andres Rodriguez, president of the Republic and commander in chief of the Armed Forces, yesterday morning signed General Order 95 designating new commanders for various Army units.

Rojas Ortiz, who had previously commanded the 1st Infantry Division, is now the commander of the 3d Army Corps, replacing Brigadier General Solano Ignacio Gamarra. Gamarra was a temporary replacement for Carpinelli Yegros, who is currently being prosecuted by the military court for his alleged involvement in a plane accident in the Chaco in May 1990. Animal hides, which were presumably being smuggled to Bolivia, were found aboard the aircraft.

Brigadier General Solano Ignacio Gamarra was named commander of the 2d Infantry Division, replacing General Mario Rodolfo Escobar Anzoategui. Brigadier General Galo Longino Escobar was named commander of the 5th Infantry Division, replacing Brigadier General Dario Gonzalez Duarte, who is also facing trial for his presumed involvement in the plane accident in the Chaco, along with Carpinelli Yegros.

Brigadier General Mario Rodolfo Escobar Anzoategui was named commander of "Marshal Francisco Solano Lopez" Military College, replacing Brigadier General Galo Longino Escobar. Colonel Evelio Favio Benitez Santacruz will stay on as acting commander of the 6th Infantry Division, replacing General Solano Ignacio Gamarra.

Colonel Iran Antonio Centurion Espinola was named acting commander of the 1st Infantry Division, replacing General Ricardo Antonio Rojas Ortiz. Colonel Vicente Evelio Fretes Mora was named chief of the 5th Infantry Division Staff, while Colonel Adalberto Fleitas Martinez was named chief of the 3d Infantry Division Staff. Colonel Pedro Hugo Canete Peralta was named commander of the "Marshal Francisco Solano Lopez" 16th Infantry Regiment of the 6th Infantry Division.

Dinar Director Rules Out Possibility of Cartels

PY0908181390 Asuncion ABC COLOR in Spanish 9 Aug 90 p 28

[Interview with Police Chief Fulvio Ramon Aldama, director of the National Narcotic Directorate, Dinar, with unidentified reporter—place and date not given]

[Text] [ABC COLOR] Commissioner Aldama, do you think a "cartel" will be organized in our country?

[Aldama] For several reasons I doubt that a drug cartel similar to those of Medellin [Colombia] and Bolivia will be organized in our country. Among those reasons is the idiosyncrasy of the Paraguayan people. The Paraguayan citizen still has many human values and is profoundly religious, especially in the interior of the country. But we must not conceal the facts. Any country in the world, including ours, can be affected by a cartel. Amambay, Alto Parana, and Itapua are the departments of the country where we have the biggest problems with drug crops and marketing.

[ABC COLOR] You do not seem to be very emphatic about this. You seem to have doubts. Is it possible that a "cartel" could be established in our country, and what would cause this?

[Aldama] Experience has taught me not to be very emphatic in stating that things are or are not going to happen. There are unpredictable causes and factors that have to do with national stability, political events, and others. Here in our country the common people, the people of the country, and even those of the capital, cooperate very much with us. They provide us with information, something that does not happen in other countries.

[ABC COLOR] What is the appropriate environment for the development of drug organizations to the point where they becoming a "cartel?"

[Aldama] The answer to this question is very simple. In Colombia, for example, the drug organizations formed a "cartel" because tremendous corruption had taken place among public officials and especially because a tremendous spiritual emptiness existed among the Colombian people. They have disregarded the moral and religious values that used to rule their lives.

[ABC COLOR] Pedro Juan Caballero and Ciudad del Este are border towns which have the most marijuana and cocaine production and trafficking in the country. What is the reason for this?

[Aldama] It is due to two main factors: Geographic and social. Geographic because of the natural characteristics of the zone. It is on a dry border with Brazil. The traffickers who finance marijuana and coca production are Brazilians. In those heavily wooded areas, only with airplanes and costly equipment can the crops be detected, and we do not have sufficient resources to eradicate that problem. Regarding the social factor, they are cosmopolitan towns. If a census were to be conducted in those towns, we would see that there are more foreigners (Chinese, Koreans, Turks, Arabs, Jews, and a large number of Brazilians) than Paraguayans.

[ABC COLOR] What does religion have to do with drugs, and what do you mean when you say a "spiritual emptiness."?

[Aldama] Drugs have a lot to do with religion, as far as preventing consumption and trafficking are concerned. Drugs harm, kill, and turn today's children and youth into tomorrows idiots. Religion has rules that are against factors promoted by the "cartels," such as robbery, murder, etc. Colombia was the scene of spiritual emptiness. It coincided with the campaign of a political party that promotes atheism, and the traffickers took advantage of this situation. In conclusion, I would like to add that religion must go together with the good work carried out simultaneously by the antinarcotics forces.

Peru

Violence Follows Economic Measures Announcement

PY0908225090 Buenos Aires TELAM in Spanish 2137 GMT 9 Aug 90

[Excerpt] Lima, 9 Aug (TELAM-ANSA)—The great challenge for the Peruvian people created by the harsh economic measures implemented by President Alberto Fujimori's government resulted in a wave of looting in which at least three people were killed and an undisclosed number of people were wounded, mostly by gunfire.

Private bus services ceased operating and businesses closed during the first negative reactions. This was followed by looting in various Lima districts. Police repression caused the deaths.

Bus owners and businessmen were reacting to the excessive increase in the price of fuel and other products. The bus owners decided not to provide bus services in Lima and other important cities today despite last night's announcement by Prime Minister Juan Carlos Hurtado Miller that the government will provide a subsidy of 20,000 intis per passenger.

The bus owners decided not to provide bus services because the price of fuel and of the majority of oil by-products increased by 3,100 [number as received] percent.

The business sector—which has been closed for days in anticipation of the measures to be announced—remained closed today because there were new prices for only four or five products. [passage omitted]

Further Report on Disturbances

PY1008021290 Madrid EFE in Spanish 0007 GMT 10 Aug 90

[Text] Lima, 9 Aug (EFE)—On the outskirts of Lima on 9 August four people were killed during looting and riots that followed last night's announcement of severe economic measures by President Alberto Fujimori's administration.

In Lima's Huaycan slum, two men were killed when security agents shot at a group of people blocking the way and trying to steal the contents of trucks bringing food into Lima.

The body of an unidentified woman was taken to Vitarte Hospital on the outskirts of Lima. A local radio station, Radioprogramas del Peru, reported that she had apparently been shot during an incident similar to the one in Huaycan.

A young marine who was taken in serious condition to a hospital in Ancon, a resort in Lima, died under circumstances that are as yet unexplained.

A version of the incident states that before being wounded the marine shot at a group of people who were trying to loot a store, and that he killed one of the looters and injured another.

Fujimori's administration has declared a state of emergency for 11 Peruvian cities, including Lima and the port of Callao, to prevent the riots and looting expected as a consequence of the announcement of economic measures.

Soldiers and policemen are patrolling the streets, particularly in the slums and poorest districts of the cities.

National Police reported today that since last night, supply centers [centros de abasto] in Callao have been looted, and similar looting has occurred since early this morning in La Victoria, Villa El Salvador, San Juan de Lurigancho, and Canto Grande Districts in Lima.

Police have arrested a large number of people in those areas.

Grocery stores, drugstores, and some markets and supermarkets have remained closed waiting for new prices to be established and also because of fear of looting. The banks apparently will not purchase or sell dollars until 12 August.

Businessmen and exporters, labor unions, and the Chemists and Pharmacists Association are holding meetings to analyze the measures adopted by the government. Meanwhile, several sectors of Peruvian society are complaining that the announcement was not complete and did not include any reference to salary adjustments to balance the higher prices.

The communist-run Central Union has termed these increases "criminal," while the urban transportation sector completely stopped its activities in Lima and other Peruvian cities.

'Huge' Cocaine Shipment Seized in Alto Huallaga

PY1008031090 Lima LA REPUBLICA in Spanish 3 Aug 90 p 23

[Text] Following a surprise helicopter patrol, General Police members raided a hideout for drug traffickers in the jungle village of Campanilla (Alto Huallaga), and seized packages containing 800 kg of cocaine paste ready to be taken to Colombia.

According to police sources, this operation is considered to be one of the Peruvian police's hardest blows to drug traffickers operating in the area of Huallaga who have connections with Colombian cartels.

The huge shipment was valued at $20 million because of the rising cost of the drug on the international black market, especially in the United States.

Some 20 members of the Drug Police Division (DIPOD), headed by General Juan Zarate Gambini, participated in the operation, which was carried out quickly and efficiently.

The police arrested 24 drug traffickers. It has been learned that two individuals who are regarded as drug trafficking "top leaders" were also arrested. The identities of the two drug traffickers have not been disclosed so as not to affect the investigation that is already underway.

Campanilla Village is in Mariscal Caceres Province, San Martin Department. It had been reported that a clandestne laboratory which processed cocaine paste for the Colombian market was operating in this village.

The DIPOD agents also confiscated 11 motorcycles in excellent condition that were used to transport the drug along the rough paths in the Amazonia region.

Unofficial sources said that the important operation took place on 24 July. For several weeks the DIPOD had been exercising tracking and infiltration tactics, which were successful.

It has also been learned that DEA agents provided intelligence and information assistance for this operation.

Campanilla Village is almost in the middle of the jungle. On the afternoon of 24 July, a group of parachutists landed near the village, and 24 drug traffickers were arrested after an intense shoot-out with the police.

The police seized rifles, submachine guns, pistols, a large quantity of ammunition, and a large quantity of chemicals for cocaine paste processing.

The drug, which was packed in plastic bags, was sent by helicopter to the Tocache military unit and then to Lima.

At 0700 last night, the drug was taken by plane to the National Police air base in Lima.

The drug was placed in the custody of DIPOD members who participated in the risky operation.

Later, the drug was taken to DIPOD headquarters, located on block 11 of Javier Prado Avenue, west of San Isidro District. It will be transferred to the Interior Ministry warehouse.

The Technical Police's Illicit Drug Traffic Investigation Division (DINTID) will be in charge of increasing the investigation into the case. Passerbys who last night observed the unloading of the drug on Javier Prado Avenue expressed surprise when someone told them the bags contained cocaine paste base.

General Juan Zarate Gambini, who conducted the successful operation, retired yesterday. Comments within the police apparatus indicated that this operation enabled General Zarate Gambini to successfully conclude his duties as DIPOD head.

Terrorists Kill Soldier, Two Community Leaders

PY0908201290 Madrid EFE in Spanish 0425 GMT 9 Aug 90

[Text] Tambo (Peru), 8 Aug (EFE)—The Peruvian Police reported today that a soldier and two community leaders were killed in an attack by terrorists in the district of Tambo, La Mar Province, 650 km southeast of Lima.

The national police reported that on Tuesday night approximately 100 presumed militants of the Maoist Shining Path group attacked Tambo, and that a soldier was killed in the confrontation with the terrorists.

The subversives then murdered civilians Juan Rojas and Fortunata Gutierrez, whom they accused of supporting the security forces.

Shining Path began their armed struggle in May 1980. It has caused the deaths of some 20,000 people and property damage estimated at $17 billion, an official report states.

Moreover, in Lima at least 100 members of the national police today staged a "protest stoppage," which was later controlled by high-ranking officers of that militarized unit, the strikers themselves reported.

Policemen from the "Black Eagle" special corps refused to go to work. They were demanding better salaries and rejecting government measures that include the retirement of some 400 personnel, including officers and subordinates, the source added.

Army Patrol Clashes With, Kills 11 Terrorists

PY0908222790 Lima EL COMERCIO in Spanish 2 Aug 90 p A10

[Text] At least 11 terrorists were killed during a clash with an Army patrol on 31 July in Tocache Province, San Martin Department. An Army captain was also killed during the clash.

According to the military report, the clash began at 1550 in Balsayacu, in the La Polvora district of Tocache, and continued until midnight.

The military forces were on a routine patrol in the jungle area when they unexpectedly ran into a Shining Path column made up of several dozen subversives.

A shootout ensued during which Captain Pedro Hernandez Sotomayor, who commanded the military patrol, was killed.

The members of the Army patrol took a strategic position and continued firing their weapons until about midnight.

The soldiers took the area where the terrorists had been and found 11 bodies.

Because it was dark the patrol could not verify if there were more casualties. It is presumed that the other subversives escaped with the wounded.

The Army patrol continues to operate in the zone with the support of an antisubversive battalion in an effort to find the Shining Path column.

In another operation, soldier Anderson Paredes Guevara was killed by a subversive group in a clash with a military patrol in Ambo Province, Huanuco Department.

There are only a few details on this clash that occurred at 1900 on 31 July. Five soldiers were wounded and there have been no reports of casualties among the subversives.

The two clashes were confirmed yesterday by the Armed Forces Joint Command in an official communique.

Vice Ministers, Other Officials Appointed

PY0908220890 Lima EXPRESO in Spanish 4 Aug 90 p 11

[Summary] On 3 August the government appointed Jorge Caceres Lizarzaburu as housing vice minister and Jorge Zegarra Russo as construction vice minister.

The government also appointed Jose Antonio Luna Dazo as secretary general of the Energy and Mines Ministry, replacing Erick Soriano Bernardini.

Fisheries Minister Vice Admiral Raul Sanchez Sotomayor has appointed Jorge Oroza Manrique, Rear Admiral Oleg Kriljenko Vujich, and Eduardo Pastor Rodriguez as his advisers.

More New Officials Named

PY0908225190 Lima EXPRESO in Spanish 6 Aug 90 p 7

[Summary] On 5 August the government appointed Ricardo Giesecke Sara Lafosse as energy and mines vice minister, replacing Luis Ampuero Salas.

Energy and Mines Minister Sanchez Albavera has designated Jorge Diaz Atieda as general director of the Energy and Mines Ministry.

Health Minister Carlos Vidal Layseca has appointed Oswaldo Lazo Gonzales, Raul Sarmiento Carbajal, and Eugenio Villar Montesinos as technical directors of the Planning, Legal Advising, and Financial Offices respectively.

Rear Admiral Raul Vargas Fuller has been named president of the Fishing Reactivation Fund.

Venezuela

Oil Sales to U.S. Subject to OPEC Agreements

PA0908193290 Mexico City NOTIMEX in Spanish 1813 GMT 9 Aug 90

[Text] Caracas, 9 Aug. (NOTIMEX)—Venezuelan Foreign Minister Reinaldo Figueredo said today that the sale of Venezuelan oil to the United States "is a political priority," but the price and quantity must be subject to OPEC agreements.

After a Cabinet meeting to analyze the Iraqi-Kuwaiti conflict and its effects on the oil market, Figueredo said no emergency OPEC meeting has been scheduled. However, he added, the OPEC [words illegible] to maintain unity and avoid upsetting the market.

As for the possible sale of crude to the United States to make up for the 600,000 barrels of oil per day that were supplied by Iraq and Kuwait, Figueredo stated that this issue was discussed by President Carlos Andres Perez and U.S. Vice President Dan Quayle when they met in Colombia.

Perez briefed Quayle on the Venezuelan oil production capacity and the commitments it has with OPEC. OPEC has set a production quota of 1.945 million barrels of oil per day for Venezuela, although it has the capacity to produce 2.6 million barrels per day.

Figueredo stated that President Perez has sent a letter to his counterparts in member countries of OPEC expressing the need to coordinate joint actions to maintain order in the oil market.

Petroven President on Oil Prices, Production

PA0908203290 Mexico City NOTIMEX in Spanish 1913 GMT 9 Aug 90

[Text] Caracas, 9 Aug (NOTIMEX)—The price of Venezuelan crude oil only registered a "slight" increase because the government wants to maintain a moderate position to prevent abrupt price hikes, a top government official announced today.

Venezuelan Petroleum [Petroven] President Andres Sosa Pietri said that the price of the Venezuelan export oil package is compatible with the preferential price objective set by OPEC at $21 per barrel.

"The country is not interested in abrupt price hikes, which does not favor consumers, either," he said after reiterating that Venezuela will remain within the production quotas established by OPEC.

However, he said that Venezuela is in favor of increasing oil production, particularly at this time when there is a fuel shortage as a result of the situation in the Persian Gulf.

Perez Stresses Caution on Oil Price Increases

PA1008023590 Caracas Venezolana de Television Canal 8 in Spanish 0016 GMT 10 Aug 90

[Text] President Carlos Andres Perez this afternoon visited Valencia on the occasion of the newspaper NOTITARDE's anniversary, and he told the media that Venezuela cannot and should not count on revenues, resulting from an increase in oil prices, which do not exist. He added that the issue should be handled cautiously.

[Begin Perez recording] The increase in oil prices should not be excessive and there should be no abrupt increases, because this will later be extremely detrimental for us—as we experienced in 1980.

Second, if the revenues are ever received, they would only be a relief within the extremely difficult situation we are facing in the country.

Third, we should not make the same mistakes we made when oil prices increased in the late 1970s and early in the 1980s.

Furthermore, as I offered in my political platform, we are taking the final steps to create the Oil Stabilization Fund. This would be precisely the first measure to be adopted concerning the increase in prices. [end recording]